SILVER GRANT INTERNATIONAL HOLDINGS GROUP LIMITED
銀建國際控股集團有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 171)

2026 INTERIM RESULTS ANNOUNCEMENT

The board ("**Board**") of directors ("**Directors**") of Silver Grant International Holdings Group Limited ("**Company**") announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 ("**Period 2026**") as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	**Six months ended 30 June**	
		2026	2025
		HK$'000	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	5	**44,643**	50,810
Direct operating expenses		**(3,996)**	(4,111)
		40,647	46,699
Other income, gains and losses	5	**(481)**	29,493
Change in fair value of financial assets at fair value through profit or loss ("**FVTPL**")		**(15,058)**	(14,296)
Change in fair value of investment properties		**(90,533)**	(87,164)
Impairment of financial assets, net		**(38,441)**	(55,243)
Administrative expenses		**(33,957)**	(34,616)
Finance costs	6	**(225,691)**	(161,375)
Share of results of:			
– associates		**(36,303)**	(15)
– joint ventures		**1,217**	(47,897)
Loss before taxation	8	**(398,600)**	(324,414)
Tax credit	7	**22,476**	24,804
Loss for the period		**(376,124)**	(299,610)
Loss attributable to:			
– Owners of the Company		**(375,770)**	(297,838)
– Non-controlling interests		**(354)**	(1,772)
		(376,124)	(299,610)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
– Basic and diluted (HK cents per share)	9	**(16.30)**	(12.92)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
LOSS FOR THE PERIOD	**(376,124)**	(299,610)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**40,175**	31,659
Total other comprehensive income that may be reclassified to profit or loss in subsequent periods	**40,175**	31,659
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Loss arising on property revaluation	**(314)**	(729)
Total other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	**(314)**	(729)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**39,861**	30,930
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(336,263)**	(268,680)
Total comprehensive (loss)/income attributable to:		
– Owners of the Company	**(338,591)**	(268,441)
– Non-controlling interests	**2,328**	(239)
	(336,263)	(268,680)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
NON-CURRENT ASSETS			
Investment properties		**1,891,082**	1,908,783
Property, plant and equipment		**85,976**	75,858
Right-of-use assets		**19,044**	19,154
Interests in associates	11	**1,071,400**	189,442
Interests in joint ventures	11	**–**	875,772
Amount due from an associate		**414,637**	400,378
Amounts due from joint ventures		**169,887**	163,066
Financial assets at FVTPL		**1,000**	1,000
Total non-current assets		**3,653,026**	3,633,453
CURRENT ASSETS			
Trade receivables	12	**7,760**	10,428
Deposits, prepayments and other receivables		**607,683**	594,120
Amounts due from joint ventures		**1,772**	1,703
Loan receivables		**1,648,788**	1,628,023
Financial assets at FVTPL		**205,793**	218,448
Restricted bank balances		**18,851**	17,932
Cash and bank balances		**5,609**	10,273
Total current assets		**2,496,256**	2,480,927
CURRENT LIABILITIES			
Accrued charges, rental deposits and other payables		**1,217,626**	1,010,891
Interest-bearing bank and other borrowings		**3,459,779**	3,153,314
Taxation payable		**107,656**	107,651
Lease liabilities		**1,611**	1,960
Total current liabilities		**4,786,672**	4,273,816

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

As at 30 June 2026

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
NET CURRENT LIABILITIES	**(2,290,416)**	(1,792,889)
TOTAL ASSETS LESS CURRENT LIABILITIES	**1,362,610**	1,840,564
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	**258,624**	377,994
Lease liabilities	**18,629**	18,376
Deferred tax liabilities	**85,294**	107,868
Total non-current liabilities	**362,547**	504,238
Net assets	**1,000,063**	1,336,326
EQUITY		
Equity attributable to owners of the Company		
Share capital	**3,626,781**	3,626,781
Reserves	**(2,570,834)**	(2,232,243)
	1,055,947	1,394,538
Non-controlling interests	**(55,884)**	(58,212)
Total equity	**1,000,063**	1,336,326

Note:

The Company's auditor did not express an opinion on the Group's consolidated financial statements for the year ended 31 December 2025 due to scope limitation relating to appropriateness of going concern. Even had there been no scope limitation relating to appropriateness of going concern which precluded the Company's auditor from expressing an opinion on the consolidated financial statements, the opinion of the Company's auditor would have been qualified due to scope limitations in respect of the loan receivables and related loan interest receivables of the Group with a carrying amount of approximately HK$1,628 million, net of loss allowance and approximately HK$437 million, net of loss allowance, respectively, as at 31 December 2025. Further details are set out in the auditor's report included in the Company's annual report for the year ended 31 December 2025.

NOTES:

1. BASIS OF PRESENTATION

As at 30 June 2026, the Group had cash and bank balances of approximately HK$6 million and the Group's interest-bearing bank and other borrowings with an aggregate carrying amount of approximately HK$3,460 million were due to be repaid within 12 months from the end of the reporting period, including (i) borrowing of approximately HK$2,367 million which has not been repaid according to the scheduled repayment date before the end of the reporting period; and (ii) borrowings of approximately HK$1,093 million with original maturity dates within the year. Pursuant to a court order issued in the Chinese Mainland in June 2024, certain bank balances and other assets of the Group were frozen due to the non-payment of an overdue other borrowing with an outstanding principal amount of approximately HK$203 million ("**Overdue Other Borrowing**"), and a settlement plan was under negotiation between the Group and the relevant creditor. As at the date of approval of these unaudited condensed consolidated financial statements, the Group has been actively liaising with the lender for settlement of the court order in relation to the Overdue Other Borrowing and negotiating with the relevant lenders for extension of the repayment date of certain of the other aforesaid borrowings.

In June 2024, the Company entered into a loan assignment agreement ("**Loan Assignment Agreement**") with Guangdong Zhuguang Group Company Limited* (廣東珠光集團有限公司) ("**Guangdong Zhuguang**"), an independent third party, to assign all the rights, title, benefits and interests of the Company to, in and under the loan agreements in relation to 54 loans (the total outstanding principal amount and interest of which amounted to approximately HK$2,590 million as at 30 June 2026) advanced by the Group to certain independent third party borrowers, which would allow the Group to substantially recover a large portion of the outstanding amount owed to the Group under such loans within a foreseeable timeframe and in a relatively short period of time upon completion of the transactions contemplated under the Loan Assignment Agreement ("**Completion**"), while the consideration shall be satisfied by Guangdong Zhuguang by, among others, entering into a deed of novation to assume the obligations of East Gate (Beijing) Property Management Co., Ltd.* (東環(北京)物業管理有限公司) ("**Beijing East Gate**"), a wholly-owned subsidiary of the Company, under two entrusted loan agreements ("**Entrusted Loan Agreements**") at Completion. During the period under review, Beijing East Gate became subject to claims ("**Claims**") filed by Guangzhou Chengtou Investment Company Limited* (廣州市城投投資有限公司) and Guangzhou Chengtou Jiapeng Industrial Investment Fund Management Company Limited* (廣州城投佳朋產業投資基金管理有限公司) (collectively, the "**Entrusting Parties**"). The Claims arose from alleged breaches of the Entrusted Loan Agreements by Beijing East Gate, under which Beijing East Gate shall repay the two entrusted loans ("**Entrusted Loans**") with respective original principal amounts of RMB1,880 million and RMB100 million (both carrying an interest of 9% per annum), which were secured by Beijing East Gate's property pledges, an equity pledge provided by Winner Property Limited, ("**Winner Property**"), a wholly-owned subsidiary of the Company, and guarantees provided by Guangdong Zhuguang, the Company, and the chairman of the Company, Mr. Chu Hing Tsung (collectively, the "**Guarantors**"). The Entrusting Parties alleged that Beijing East Gate had failed to repay the Entrusted Loans as scheduled since 20 January 2024. Consequently, the Company received from the Guangdong Province Guangzhou Intermediate People's Court a statement of claim filed by each of the Entrusting Parties against, among others, Beijing East Gate, Winner Property and the Guarantors, seeking immediate repayment of the outstanding principal, accrued and default interests, late charges, commissions and surcharges in relation to the Entrusted Loans of approximately RMB2,721 million in aggregate. The Company is currently negotiating settlement plans with the Entrusting Parties.

Up to the date of approval of these unaudited condensed consolidated financial statements, except for the Overdue Other Borrowing and the Entrusted Loans, the Group has not received any demand for immediate repayment of its bank and other borrowings.

* *English name is translated for identification purpose only*

In view of the above circumstances, the Directors have given careful consideration to the Group's future liquidity requirements, operating performance and available sources of financing in assessing the Group's ability to continue operating as a going concern. The following plans and measures are formulated to manage the working capital and improve the financial position of the Group:

(i) the Group will continue its negotiations with the lenders of certain bank and other borrowings or other financial institutions on the settlement and/or refinancing of the borrowings;

(ii) the Group will continue to implement measures for the disposal of the outstanding loan receivables and loan interest receivables;

(iii) the Group will continue to take measures to expedite the disposal of financial asset investments, including equity investments and non-performing assets portfolio; and

(iv) the Group will obtain additional credit facilities from existing and other lenders as and when needed.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2026. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due. Accordingly, the Directors are satisfied that it is appropriate to prepare the condensed consolidated financial statements of the Group on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend on (i) the successful settlement of the court order in relation to the Overdue Other Borrowing and the Claims in relation to the Entrusted Loans; (ii) the successful and timely implementation of the plans and measures for the disposal of financial asset investments, outstanding loan receivables and loan interest receivables; (iii) the continual support from the existing lenders of the Group such that they will not demand for immediate repayment of the relevant borrowings; and (iv) the successful obtaining of new sources of financing as and when needed.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these unaudited condensed consolidated financial statements.

2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard 34 ("**HKAS 34**") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as with the applicable disclosure requirements of Appendix D2 to the Rules ("**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**").

The financial information relating to the year ended 31 December 2025 that is included in the unaudited condensed consolidated statement of financial position as at 30 June 2026 as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("**Companies Ordinance**") is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance. The Company's auditor has reported on the consolidated financial statements for the year ended 31 December 2025. The auditor's report was qualified and contain a statement under sections 407(2) and 407(3) of the Companies Ordinance; and the auditor's report did not contain a statement under section 406(2) of the Companies Ordinance.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unaudited interim condensed consolidated financial statements for the six months ended 30 June 2026 are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, and the HKICPA has issued a number of amendments to the HKFRS Accounting Standards that are first effective for the current accounting period of the Group.

None of the amendments have had a material effect on how the Group's results and financial position for the current period or prior periods have been proposed or presenting in these unaudited interim condensed consolidated financial statements. The Group has not applied any new standard or interpretation that is not effective for the current accounting period.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and has the following reporting segments:

(a) the property leasing segment representing holding of properties for rental income and/or potential for capital appreciation;

(b) the investments segment representing the investments in financial assets at FVTPL and loan receivables; and

(c) the new energy investment and operation segment representing operation of distributed photovoltaic power generation stations and the energy storage business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that non-lease-related finance costs, share of results of associates and joint ventures and corporate expenses are excluded from such measurement.

No segment asset and liability is presented as the chief operating decision maker does not regularly review segment assets and liabilities.

Six months ended 30 June 2026 (Unaudited)

	Investments *HK$'000*	**Property leasing** *HK$'000*	**New energy investment and operation** *HK$'000*	**Total** *HK$'000*
Revenue				
– Rental income	**–**	**43,311**	**–**	**43,311**
– Income from distributed photovoltaic power generation	**–**	**–**	**1,332**	**1,332**
	–	**43,311**	**1,332**	**44,643**
Segment (loss)/profit	**(54,069)**	**(65,004)**	**338**	**(118,735)**
Other unallocated income, gains and losses				**(276)**
Corporate expenses				**(19,286)**
Finance costs (other than interest on lease liabilities)				**(225,217)**
Share of results of:				
– associates				**(36,303)**
– joint ventures				**1,217**
Loss before taxation				**(398,600)**
Taxation				**22,476**
Loss for the period				**(376,124)**

Six months ended 30 June 2025 (Unaudited)

	Investments *HK$'000*	Property leasing *HK$'000*	New energy investment and operation *HK$'000*	Total *HK$'000*
Revenue				
– Rental income	–	50,234	–	50,234
– Income from distributed photovoltaic power generation	–	–	576	576
	–	50,234	576	50,810
Segment (loss)/profit	(55,457)	(49,436)	172	(104,721)
Other unallocated income, gains and losses				10,171
Corporate expenses				(21,209)
Finance costs (other than interest on lease liabilities)				(160,743)
Share of results of:				
– associates				(15)
– joint ventures				(47,897)
Loss before taxation				(324,414)
Taxation				24,804
Loss for the period				(299,610)

Geographical information

Revenue from external customers

	Six months ended 30 June	
	2026 ***HK$'000*** **(Unaudited)**	2025 *HK$'000* (Unaudited)
People's Republic of China ("**PRC**" or "**China**")	**44,643**	50,810

The revenue information above is based on the locations of the operations.

5. REVENUE AND OTHER INCOME, GAINS AND LOSSES

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from other sources		
Gross rental income	**43,311**	50,234
Revenue from contracts with customers within HKFRS 15 – at a point in time		
Income from distributed photovoltaic power generation	**1,332**	576
	44,643	50,810

An analysis of other income, gains and losses is as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest income on:		
– loan receivables	**–**	14,714
– bank deposits	**8**	11
Net foreign exchange (losses)/gains	**(360)**	210
Net gain on disposal of property, plant and equipment	**–**	1
Net gain on disposal of investment properties	**–**	4,607
Loss on disposal of financial assets at FVTPL	**(219)**	(38)
Others	**90**	9,988
	(481)	29,493

6. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest on bank loans	**3,330**	3,400
Interest on other loans	**221,887**	157,343
Interest on lease liabilities	**474**	632
	225,691	161,375

7. TAXATION

No provision for Hong Kong profits tax has been made as the Company and its subsidiaries in Hong Kong had no assessable profits or had incurred tax losses for both reporting periods.

The taxation charge of the PRC Corporate Income Tax ("**CIT**") for the reporting periods has been made based on the Group's estimated assessable profits calculated in accordance with the relevant income tax laws applicable to the Company's subsidiaries in the PRC. Under the Law of the PRC on Corporate Income Tax ("**CIT Law**") and the Implementation Regulation of the CIT Law, the tax rate of the Company's subsidiaries in the PRC was 25% for both reporting periods.

The withholding tax arising from the dividend income received from the Company's subsidiaries in the PRC was calculated at 5% for both reporting periods.

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current:		
PRC CIT – charge for the period	**98**	–
Deferred	**(22,574)**	(24,804)
Total tax credit for the period	**(22,476)**	(24,804)

8. LOSS BEFORE TAXATION

The Group's loss before taxation was arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**2,128**	1,987
Depreciation of right-of-use assets	**1,388**	1,802
Change in fair value of financial assets at FVTPL	**15,058**	14,296
Employee benefit expenses including directors' and co-chief executive officers' remuneration:		
Wages and salaries	**21,823**	19,454
Pension scheme contributions (defined contribution scheme)	**1,064**	1,178
	22,887	20,632
Rental income under operating leases for investment properties, less outgoings of HK$3,210,000 (six months ended 30 June 2025: HK$3,724,000)	**(40,101)**	(46,510)
Income from distributed photovoltaic power generation, less outgoings of HK$785,000 (six months ended 30 June 2025: HK$387,000)	**(546)**	(189)
Impairment of financial assets, net	**38,441**	55,243
Change in fair value of investment properties	**90,533**	87,164

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculations of the basic and diluted loss per share attributable to ordinary equity holders of the Company are based on the following data:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Loss for the period attributable to ordinary equity holders of the Company used in the basic and diluted loss per share calculations	**(375,770)**	(297,838)

	Six months ended 30 June	
	2026	2025
	in thousand	*in thousand*
	(Unaudited)	(Unaudited)
Number of shares:		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculations	**2,304,850**	2,304,850

The denominators used in the calculations of the basic and diluted loss per share are the same as those detailed above for the calculations of the basic and diluted loss per share attributable to the ordinary equity holders of the Company.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2026 and 2025.

10. DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

11. INTERESTS IN ASSOCIATES AND JOINT VENTURES

During the six months ended 30 June 2026, the articles of association of Zhong Hai You Qi (Tai Zhou) Petrochemical Company Limited* (中海油氣(泰州)石化有限公司) ("**ZHYQ**") were amended, with the Group's equity interest in ZHYQ remaining unchanged at 35.18%. Pursuant to the amended articles of association of ZHYQ ("**Amended Articles**"), the Group lost joint control over ZHYQ and the decision-making process for ZHYQ's business activities changed from unanimous decision-making to majority voting of ZHYQ's shareholders. As the Group retained board representation and held 35.18% of the voting rights in ZHYQ upon the Amended Articles becoming effective, the Group continued to exercise significant influence over ZHYQ. Accordingly, the Group's investment in ZHYQ was reclassified from an interest in a joint venture to an interest in an associate with effect from 14 April 2026 (i.e. the date on which the Amended Articles became effective). The Group continued to account for its investment in ZHYQ using the equity method. As there was no change in the Group's ownership interest in ZHYQ, no gain or loss arising from this reclassification was recognised in the Group's condensed consolidated statement of profit or loss for the period under review.

12. TRADE RECEIVABLES

The Group allows a credit period of 30 to 60 days for its trade customers.

The following is an ageing analysis of the trade receivables presented based on the invoice dates at the end of the reporting period/year, which approximated the respective revenue recognition dates:

	As at 30 June 2026	As at 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 1–2 months	**7,031**	10,428
Over 2 months	**729**	–
	7,760	10,428

* *English name is translated for identification purpose only*

13. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period/year:

	As at 30 June 2026 *HK$'000* **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Contracted, but not provided for:		
Purchase of property, plant and equipment	**–**	9,849
Unlisted equity securities	**–**	55
	–	9,904

BUSINESS REVIEW

Investment in Associates

During the period under review, the operations of Zhong Hai You Qi (Tai Zhou) Petrochemical Company Limited* (中海油氣(泰州)石化有限公司) ("**Zhong Hai You Qi**"), an associate, which was a joint venture of the Group as at 31 December 2025, principally engaged in the production and trading of petroleum and petrochemical products, remained smooth and steady.

During Period 2026, the articles of association of Zhong Hai You Qi were amended, with the Group's equity interest in Zhong Hai You Qi remaining unchanged at 35.18%. Pursuant to the amended articles of association of Zhong Hai You Qi ("**Amended Articles**"), the Group lost joint control over Zhong Hai You Qi and the decision-making process for Zhong Hai You Qi's business activities changed from unanimous decision-making to majority voting of the shareholders of Zhong Hai You Qi. As the Group retained board representation and held 35.18% of the voting rights in Zhong Hai You Qi upon the Amended Articles becoming effective, the Group continued to exercise significant influence over Zhong Hai You Qi. Accordingly, the Group's investment in Zhong Hai You Qi was reclassified from an interest in a joint venture to an interest in an associate with effect from 14 April 2026 (i.e. the date on which the Amended Articles became effective). The Group continued to account for its investment in Zhong Hai You Qi using the equity method. As there was no change in the Group's ownership interest in Zhong Hai You Qi, no gain or loss arising from this reclassification was recognised in the Group's condensed consolidated statement of profit or loss for the period under review.

In addition to continuously expanding its sales channels for high-value-added products, Zhong Hai You Qi has also strived to promote energy-saving and emission-reduction initiatives alongside digital transformation of its operations. However, due to multiple factors including the geopolitical conflicts and global trade tensions, international crude oil prices exhibited a trend of initial decline, which was followed by a rebound during Period 2026 resulted from the 2026 US-Iran war. The markets for key petrochemical products such as gasoline, diesel, asphalt and petroleum coke reflected a trend of rising prices followed by declines due to the fluctuations in crude oil prices and supply-demand dynamics. In light of the initiatives and transformation undertaken to optimise its operations during the period under review, the performance of Zhong Hai You Qi improved in spite of the increase in its production costs as a result of the rise in the price of crude oil (one of the major raw materials used in the production of its petrochemical products), thereby decreasing the loss of Zhong Hai You Qi shared by the Group in Period 2026 as compared with that in the six months ended 30 June 2025 ("**Period 2025**").

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Property Leasing

The rental income from the Group's property leasing business during Period 2026 was approximately HK$43,311,000, representing a decrease of approximately 13.8%, as compared with that of approximately HK$50,234,000 during Period 2025. This was mainly due to the overall decline in rental rates in the leasing market during the period under review resulted from the continued downturn in China's real estate sector. The revenue from such segment was derived from East Gate Plaza, an investment property of the Group located in Beijing, China, consisting of rental apartments, shops, offices and parking lots. The vacancy rate in the surrounding commercial area and residential area of East Gate Plaza rose and the rental levels dropped during Period 2026. The property management team of the Group has been striving to improve the satisfaction of existing tenants and secured a more stable customer base through multiple strategies to enhance service quality, increase customer traffic and optimise tenant experiences. Additionally, in line with market trends, the property management team has also established we-media marketing channels to promote property listings and increase brand visibility, thereby improving customer acquisition and conversion rates.

Investments

The Group has made investments in certain enterprises in China which are classified by the Group as financial assets at FVTPL. As at 30 June 2026, the NT Trust Scheme (as defined below) was the most significant financial asset investment of the Group, the carrying value of which represented approximately 1.8% (31 December 2025: 1.9%) of the total assets of the Group. Further details of the NT Trust Scheme are set out below:

The Group has previously invested RMB505,000,000 (equivalent to approximately HK$581,128,000) in aggregate into a trust ("**NT Trust Scheme**") managed by National Trust Co., Ltd.* (國民信託有限公司), which holds a portfolio of limited liability partnerships investing in property development investments in Zhuozhou and Shenyang in the PRC. As at 30 June 2026, the carrying value of the NT Trust Scheme as measured at FVTPL, amounted to approximately HK$111,284,000 (31 December 2025: HK$117,234,000) and accounted for approximately 1.8% (31 December 2025: 1.9%) of the total assets of the Group. Out of the loss of approximately HK$15,058,000 (Period 2025: HK$14,296,000) recorded by the Group in the change in fair value of financial assets at FVTPL for Period 2026, a loss of approximately HK$10,417,000 (Period 2025: HK$11,651,000) was attributable to the fair value change of the NT Trust Scheme as at 30 June 2026. The Group did not receive any distribution from the NT Trust Scheme during Period 2026 (Period 2025: Nil). Based on the current investment strategy of the Group, its interest in the NT Trust Scheme is held for trading and classified as a current asset in its unaudited condensed consolidated statement of financial position.

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The objective of the Group in relation to its investments in financial assets is to capture returns from the appreciation of the value of its investments and to receive income therefrom. The Board believes that it is necessary to expedite the sale of existing financial assets, including equity investment projects and the non-performing asset portfolio, with an aim to manage working capital and improve the Group's financial position. The Group's investment management team regularly reviews the latest progress of existing projects and actively seeks exit opportunities or potential buyers for cash inflows. During Period 2026, the Group acquired and disposed of financial asset investments of approximately RMB17,361,000 and RMB22,713,000, respectively.

New Energy Investment and Operation

In the first half of 2026, the landscape of the new energy industry of China continued to evolve under the "15th Five-Year Plan" (2026–2030) framework, presenting updated policies and strategic opportunities for the Group to accelerate its "photovoltaics, storage, and charging" integrated business.

Set out below is an outline of the updated policy landscape of the new energy industry of China in the first half of 2026:

- Photovoltaics (PV): The policy focus has shifted from pure scale expansion to consumption capacity building and high-quality development. In June 2026, the National Energy Administration issued the Energy Sector Energy Saving and Carbon Reduction Action Plan (2026–2028), promoting building-integrated photovoltaics (BIPV) and expanding PV consumption space. Additionally, the Ministry of Finance and the State Taxation Administration announced the cancellation of VAT export rebates for PV products starting April 2026, driving the industry toward cost reduction and efficiency improvement.

- Energy Storage: A major breakthrough occurred in January 2026 when the National Development and Reform Commission (NDRC) established a grid-side independent energy storage capacity tariff mechanism. This creates a "capacity guarantee + market appreciation" dual-profit model for storage projects. The New Energy System Construction "15th Five-Year" Plan released in June 2026 further mandated the development of long-duration energy storage and its application in virtual power plants and microgrids.

- Electric Vehicle (EV) Charging: In March 2026, the Ministry of Finance and other government departments launched county-level charging infrastructure subsidy trials (2026–2028), offering rewards based on power utilisation and encouraging "PV-storage-charging" integration and vehicle-to-grid (V2G) technology. Furthermore, the New Energy Heavy-Duty Truck Large-Scale Application Implementation Plan launched in May 2026 explicitly supports the construction of "wind-solar-storage-charging-swapping" integrated facilities.

The Group had started to diversify its investments in the new energy industry in 2024. To facilitate the development, investment and operation of new energy projects, the Group has established a professional team and conducted preliminary business model explorations, as well as practical case studies. In the first half of 2026, by further optimising its project management system and enhancing both internal and external collaborations to take advantage of the opportunities made available under the updated government policies described above, the Group has achieved notable results in the expansion of new energy projects. As of 30 June 2026, the Group had eight (Period 2025: six) distributed photovoltaic power generation stations already in operation and one (Period 2025: two) other project under construction, which would bring the total installed capacity of the Group to approximately 13 megawatts (MW) (Period 2025: 10 MW). These projects are located in various prefecture-level cities in the Guangdong and Hunan provinces of China, encompassing rooftop resources from a diverse range of premises, including hospitals, schools, hotels, factories and logistics parks. During Period 2026, in addition to one energy storage project under operation, the Group also had four electric vehicle charging station projects under different stages of development, with one project under operation, another one the operation of which having commenced in August 2026 and two others having been contracted. With the successive implementation and operation of these projects underway, the Group has revenue derived from distributed photovoltaic power generation of approximately HK$1,332,000 (Period 2025: HK$576,000), laying a solid foundation for its strategic layout of new energy and future sustainable development.

OUTLOOK AND PROSPECTS

Entering the second half of 2026, the United States formally implemented a new round of large-scale tariff policies, further exacerbating the risk of global supply chain disruption and trade friction. The year 2026, as the inaugural year of the "15th Five-Year Plan", is a critical and pivotal period for China to achieve its 2030 carbon peaking target. The macro policy tone is set as "fiscal policy as the mainstay, monetary policy as the safeguard, and structural optimization". On monetary policy, the People's Bank of China maintains a moderately accommodative stance, keeps market liquidity reasonably ample, and strengthens the coordination between monetary and fiscal policies. On fiscal policy, the proactive orientation is sustained, with greater emphasis on the balance between targeted support and risk prevention and control, so as to fully support the expansion of domestic demand and high-quality economic development. Under the current environment, the Group will follow the national strategic direction, expand the green industry chain, seize the policy opportunities in the stock operation and quality enhancement of the property leasing market, and advance the green and intelligent transformation and upgrading of its petrochemical business, firmly pursuing its strategic transformation path.

FINANCIAL REVIEW

The loss attributable to the owners of the Company increased by approximately 26.2% from approximately HK$297,838,000 for Period 2025 to approximately HK$375,770,000 for Period 2026 and the basic loss per share attributable to ordinary equity holders of the Company increased from 12.92 HK cents for Period 2025 to 16.30 HK cents for Period 2026, mainly due to the following combined effects:

(a) the decrease in revenue from the Group's property leasing business from approximately HK$50,234,000 during Period 2025 to approximately HK$43,311,000 during Period 2026, resulted from the downturn in China's real estate sector, which had caused the commercial and residential leasing rates to drop;

(b) the decrease in the Group's other income, gains and losses from a gain of approximately HK$29,430,000 for Period 2025 to a loss of approximately HK$481,000 for Period 2026, which was mainly due to the following income and gain recorded by the Group for Period 2025, which were absent for Period 2026: (i) the aggregate interest income generated from the Group's loan receivables of approximately HK$14,714,000; (ii) a net gain on disposal of investment properties of approximately HK$4,607,000; and (iii) an income from leasing of motor vehicles and machineries of approximately HK$10,000,000;

(c) the decrease in the Group's impairment of financial assets, net, from approximately HK$55,243,000 for Period 2025 to approximately HK$38,441,000 for Period 2026, which was mainly attributable to the improvement in the credit quality of the Group's loan receivables under the expected credit loss model in accordance with HKFRS 9 *Financial Instruments* in Period 2026;

(d) the increase in the loss from the fair value of the investment properties of the Group from approximately HK$87,164,000 for Period 2025 to approximately HK$90,533,000 for Period 2026, which was mainly attributable to the increase in the fair value loss of the Group's investment property located in Beijing as at 30 June 2026, as compared with that as at 31 December 2025; and

(e) the increase in the finance costs incurred by the Group from approximately HK$161,375,000 for Period 2025 to approximately HK$225,691,000 for Period 2026, which was mainly due to the additional default interest and surcharges on certain overdue loans in Period 2026.

Revenue

Revenue for Period 2026 included (i) rental income generated from East Gate Plaza, an investment property of the Group located in Beijing, China, consisting of rental apartments, shops, offices and parking lots, which amounted to approximately HK$43,311,000 (Period 2025: HK$50,234,000); and (ii) income derived from distributed photovoltaic power generation, which amounted to approximately HK$1,332,000 (Period 2025: HK$576,000). The decrease in revenue was mainly due to a decrease in revenue from rental income in Period 2026 resulted from persistent contraction across China's property sector, which had caused the commercial and residential leasing rates to drop.

Other income, gains and losses

The decrease in the Group's other income, gains and losses from a gain of approximately HK$29,493,000 for Period 2025 to a loss of approximately HK$481,000 for Period 2026 was mainly due to the aggregate interest income generated from the Group's loan receivables of approximately HK$14,714,000 for Period 2025 while there was no such income in Period 2026. In addition, there were a net gain on disposal of investment properties and income from leasing of motor vehicles and machineries of approximately HK$4,607,000 and HK$10,000,000, respectively in Period 2025, which were absent in Period 2026.

Impairment of financial assets, net

The decrease in the Group's impairment of financial assets, net, from approximately HK$55,243,000 for Period 2025 to approximately HK$38,441,000 for Period 2026 was mainly attributable to the improvement in the credit quality of the Group's loan receivables under the expected credit loss model in accordance with HKFRS 9 *Financial Instruments* in Period 2026.

Change in fair value of investment properties

The increase in the loss from the fair value of the investment properties of the Group from approximately HK$87,164,000 for Period 2025 to approximately HK$90,533,000 for Period 2026 was mainly attributable to the increase in the fair value loss of the Group's investment property located in Beijing as at 30 June 2026, as compared with that as at 31 December 2025.

Finance costs

The increase in the finance costs incurred by the Group from approximately HK$161,375,000 for Period 2025 to approximately HK$225,691,000 for Period 2026 was mainly due to the additional default interest and surcharges on certain overdue loans in Period 2026.

Share of results of associates

The increase in the Group's share of losses of associates from approximately HK$15,000 for Period 2025 to approximately HK$36,303,000 for Period 2026 was attributable to the loss of Zhong Hai You Qi in the amount of approximately HK$36,303,000 shared by the Group during Period 2026, with the Group's investment in Zhong Hai You Qi being reclassified from an interest in a joint venture to an interest in an associate with effect from 14 April 2026 pursuant to the Amended Articles.

Share of results of joint ventures

The Group's share of the results of joint ventures changed from losses of approximately HK$47,897,000 for Period 2025 to profits of approximately HK$1,217,000, as a result of (i) the loss of Zhong Hai You Qi in the amount of approximately HK$32,095,000 shared by the Group during Period 2025, while the Group's investment in Zhong Hai You Qi had been reclassified from an interest in a joint venture to an interest in an associate with effect from 14 April 2026 pursuant to the Amended Articles; and (ii) the improvement of the performance of Beijing Lingjun New Energy Technology Company Limited* (北京靈駿新能源科技有限責任公司), a joint venture of the Group principally engaged in the research and development, transfer and promotion of new energy technology, from Period 2025 to Period 2026.

Property, plant and equipment

The increase in the Group's property, plant and equipment from approximately HK$75,858,000 as at 31 December 2025 to approximately HK$85,976,000 as at 30 June 2026, was mainly due to the increase in the purchase of new distributed photovoltaic power generation and electric vehicle charging station equipment by the Group during Period 2026 as a result of the development and expansion of the Group's new energy investment and operation business.

Accrued charges, rental deposits and other payables

The increase in the Group's accrued charges, rental deposits and other payables from approximately HK$1,010,891,000 as at 31 December 2025 to approximately HK$1,217,626,000 as at 30 June 2026 was mainly attributable to the increase in the accrued interest expenses and surcharges on overdue loans.

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EXCHANGE EXPOSURE

In Period 2026, the Group's principal assets, liabilities, revenue and payments were denominated in HK$, RMB and the United States dollar ("**US$**"). In the opinion of the Board, RMB will remain as a regulated currency in the foreseeable future. Although the market is generally anticipating an increased volatility in the RMB exchange rate, the Board does not expect that it will have any material adverse effect on the financial position of the Group. However, the Board will closely monitor the future development of the RMB exchange rate and will take appropriate actions as necessary.

In addition, the Board does not anticipate that there will be any material exchange exposure to the Group in respect of other currencies.

At the end of Period 2026, the Group had no material liability denominated in any foreign currencies other than RMB. There was also no hedging transaction contracted for by the Group during Period 2026.

TREASURY POLICY

The Group has adopted a conservative treasury policy under which the Group keeps its investment costs under control and manages the returns on its investments efficiently. The Group has guidelines in place to monitor and control its investment risk exposure and to manage its capital. The Group also strives to reduce its exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. The Board closely reviews the Group's liquidity position to ensure the Group has adequate liquidity to meet its funding requirements at all times.

Cash Position

	As at 30 June 2026 *HK$'000* **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Restricted bank balances	**18,851**	17,932
Cash and bank balances	**5,609**	10,273
	24,460	28,205

As at 30 June 2026, the Group's cash and bank balances were denominated in the following currencies:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
HK$	**1.2%**	4.1%
RMB	**98.8%**	95.9%
	100.0%	100.0%

The Group conducted its business almost exclusively in RMB except that certain transactions were conducted in HK$ and US$. The conversion of RMB into HK$, US$ or other foreign currencies has been based on the rates set by the People's Bank of China. The value of RMB against HK$, US$ and other foreign currencies may fluctuate and is affected by factors such as changes in the PRC's political and economic conditions. The Group has not adopted any financial instruments for hedging purposes. However, the Group will constantly assess the foreign exchange risk it encounters so as to decide on the hedging policy required against the possible foreign exchange risk that may arise.

Working Capital and Borrowings

As at 30 June 2026, the Group's total borrowings amounted to approximately HK$3,718,403,000 in aggregate. The composition of these borrowings is summarised below:

	As at 30 June 2026 ***HK$'000*** **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Short term borrowings	**3,459,779**	3,153,314
Long term borrowings	**258,624**	377,994
Total borrowings	**3,718,403**	3,531,308
Less: cash and bank balances	**5,609**	10,273
Net borrowings	**3,712,794**	3,521,035

Interests for all borrowings of the Group for Period 2026 were charged at fixed and floating rates ranging from 3.3% per annum to 12.0% per annum (Period 2025: 5.0% per annum to 27.6% per annum).

As at 30 June 2026, the long and short term borrowings of the Group which remained outstanding were denominated as follows:

	As at 30 June 2026 *HK$'000* (Unaudited)	As at 31 December 2025 *HK$'000* (Audited)
RMB	**3,718,403**	3,531,308

As at 30 June 2026, the long and short term borrowings of the Group which remained outstanding carried fixed and floating interest rates as follows:

	As at 30 June 2026 *HK$'000* (Unaudited)	As at 31 December 2025 *HK$'000* (Audited)
Fixed interest rates	**1,554,997**	1,444,923
Floating interest rates	**2,163,406**	2,086,385
	3,718,403	3,531,308

As at 30 June 2026, the maturity profile of the long and short term borrowings of the Group was as follows:

	As at 30 June 2026 *HK$'000* **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Bank loans repayable:		
Within one year or on demand	**460**	128,791
In the second year	**133,487**	–
In the third to fifth years, inclusive	**5,294**	–
Over five years	**3,426**	–
	142,667	128,791
Other loans repayable:		
Within one year or on demand	**3,459,319**	3,024,523
In the second year	**387**	321,514
In the third to fifth years, inclusive	**116,030**	56,480
	3,575,736	3,402,517
	3,718,403	3,531,308

As at 30 June 2026, the gearing ratio (calculated as total borrowings over equity attributable to owners of the Company) and the current ratio (calculated as current assets over current liabilities) of the Group were 352% (31 December 2025: 253%) and 0.52x (31 December 2025: 0.58x), respectively. These ratios are key performance indicators used by the management of the Group to measure the Group's level of leverage to ensure the Group has the liquidity to meet its financial obligations at all times. The Group will strive to improve its liquidity by expediting its collection of outstanding loan receivables and disposal of financial asset investments (including equity investments and non-performing assets portfolio) which will bring a reasonable return to the Group.

As at 30 June 2026, the Group had cash and bank balances of approximately HK$6 million, and interest-bearing bank and other borrowings with an aggregate carrying amount of approximately HK$3,460 million which were due to be repaid within 12 months from the end of the reporting period, including (i) borrowing of approximately HK$2,367 million which has not been repaid according to the scheduled repayment date before the end of the reporting period; and (ii) borrowings of approximately HK$1,093 million with original maturity dates within one year. Pursuant to a court order issued in the Chinese Mainland in June 2024, certain bank balances and other assets of the Group were frozen due to the non-payment of overdue other borrowing with an outstanding principal amount of approximately HK$203 million ("**Overdue Other Borrowing**"), and a settlement plan was under negotiation between the Group and the relevant creditor. The Group has been actively liaising with the lender for settlement of the court order in relation to the Overdue Other Borrowing. The Group has also been negotiating with the relevant lenders for extension of the repayment date of certain of the aforesaid borrowings.

In addition, on 27 June 2024, the Company and Guangdong Zhuguang Group Company Limited* (廣東珠光集團有限公司) ("**Guangdong Zhuguang**"), an independent third party, entered into a loan assignment agreement (as amended and supplemented by the supplemental agreement dated 22 January 2025) ("**Loan Assignment Agreement**"), pursuant to which the Company has agreed to sell and transfer, and Guangdong Zhuguang has agreed to purchase from the Company all the rights, title, benefits and interests of the Company to, in and under the loan agreements ("**Loan Agreements**") entered into between the Company together with six of its wholly-owned subsidiaries as lenders and a total of 54 independent third party borrowers (including but not limited to the loans ("**Loans**") with total outstanding principal amount and interest of approximately RMB2,251 million (equivalent to approximately HK$2,590 million) as at 30 June 2026 advanced by the Group under the Loan Agreements and all security created thereunder) accruing thereto from 1 January 2024 ("**Loan Interest**"), whereas the consideration shall be satisfied by Guangdong Zhuguang by (i) entering into a deed of novation to assume the obligations of East Gate (Beijing) Property Management Co., Ltd.* (東環(北京)物業管理有限公司) ("**Beijing East Gate**"), a wholly-owned subsidiary of the Company, under two entrusted loan agreements ("**Entrusted Loan Agreements**") (including but not limited to the repayment obligation of the underlying entrusted loans ("**Entrusted Loans**") in the aggregate outstanding principal amount of approximately RMB1,880 million (equivalent to approximately HK$2,075 million), the release of all existing charges, guarantee and pledge of shares, and the provision of new charge(s), guarantee and/or pledge of shares pursuant to the requests of the entrusting party and the lender, if required) ("**Debt Novation**"); and (ii) assignment of certain car parking spaces located in the Guangdong province of the PRC ("**Target Properties**"), at completion of the transactions ("**Transactions**") contemplated under the Loan Assignment Agreement ("**Completion**"). Completion is conditional upon and subject to, among others, the passing by the independent shareholders of the Company at an extraordinary general meeting ("**EGM**") convened by the Company of all necessary resolution(s) to approve the Loan Assignment Agreement and the Transactions. At the EGM held on 28 February 2025, the Loan Assignment Agreement and the Transactions have been approved by the shareholders of the Company. The Transactions, if

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materialised, would provide a good opportunity to the Group to substantially recover a large portion of the outstanding amount owed to the Group under the Loan Agreements within a foreseeable timeframe and in a relatively short period of time, thereby minimising the uncertainty and the credit risks associated with the Loan Interest and the administrative costs to be incurred by the Group for collecting the outstanding Loan Interest, and the Debt Novation would provide a good opportunity for the Group to settle the Entrusted Loans as the rights and liabilities of the Group under the Entrusted Loan Agreements would be discharged. The transfer of the Target Properties to the Group would allow the Group to enlarge and diversify its investment properties portfolio with high quality assets, as well as to strengthen the income base of the Group and to generate stable cash flows to the Group. As more time was required to fulfil the conditions to the Loan Assignment Agreement, in particular, the completion of the Debt Novation, completion of the Loan Assignment Agreement did not take place on or before 31 December 2025, being the long stop date ("**Long Stop Date**") prescribed under the Loan Assignment Agreement. As at the date of this announcement, the parties to the Loan Assignment Agreement are still discussing and finalising the supplemental agreement to the Loan Assignment Agreement to extend the Long Stop Date and amend the conditions to the Loan Assignment Agreement. Further details of the Loan Assignment Agreement and the Transactions are set out in the announcements of the Company dated 27 June 2024, 31 July 2024, 30 August 2024, 30 September 2024, 31 October 2024, 31 December 2024, 22 January 2025 and 31 December 2025 and the circular of the Company dated 12 February 2025.

During the period under review, Beijing East Gate became subject to claims ("**Claims**") filed by Guangzhou Chengtou Investment Company Limited* (廣州市城投投資有限公司) and Guangzhou Chengtou Jiapeng Industrial Investment Fund Management Company Limited* (廣州城投佳朋產業投資基金管理有限公司) (collectively, the "**Entrusting Parties**"). The Claims arose from alleged breaches of the Entrusted Loan Agreements by Beijing East Gate, under which Beijing East Gate shall repay the two Entrusted Loans with respective original principal amounts of RMB1,880 million and RMB100 million (both carrying an interest of 9% per annum), which were secured by Beijing East Gate's property pledges, an equity pledge provided by Winner Property Limited, ("**Winner Property**"), a wholly-owned subsidiary of the Company, and guarantees provided by Guangdong Zhuguang, the Company, and the chairman of the Company, Mr. Chu Hing Tsung ("**Mr. Chu**", together with Guangdong Zhuguang and the Company, collectively, the "**Guarantors**"). The Entrusting Parties alleged that Beijing East Gate had failed to repay the Entrusted Loans as scheduled since 20 January 2024. Consequently, the Company received from the Guangdong Province Guangzhou Intermediate People's Court a statement of claim filed by each of the Entrusting Parties against, among others, Beijing East Gate, Winner Property and the Guarantors, seeking immediate repayment of outstanding principal, accrued and default interest, late charges, commissions and surcharges in relation to the Entrusted Loans of approximately RMB2,720.7 million in aggregate. The Company is currently negotiating settlement plans with the Entrusting Parties and will update the shareholders of the Company as necessary. Details of the Claims are set out in the announcement of the Company dated 27 May 2026.

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Up to the date of approval of this announcement, except for the Overdue Other Borrowing and the Entrusted Loans, the Group has not received any demand for immediate repayment of its bank and other borrowings.

In view of the above circumstances, the Directors have given careful consideration to the Group's future liquidity requirements, operating performance and available sources of financing in assessing the Group's ability to continue operating as a going concern. The following plans and measures are formulated to manage the working capital and improve the financial position of the Group:

(i) the Group will continue its negotiations with the lenders of certain bank and other borrowings or other financial institutions on the settlement and/or refinancing of the borrowings;

(ii) the Group will continue to implement measures for the disposal of the outstanding loan receivables and loan interest receivables;

(iii) the Group will continue to take measures to expedite the disposal of financial asset investments, including equity investments and non-performing assets portfolio; and

(iv) the Group will obtain additional credit facilities from existing and other lenders as and when needed.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2026. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due. Accordingly, the Directors are satisfied that it is appropriate to prepare the condensed consolidated financial statements of the Group on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend on (i) the successful settlement of the court order in relation to the Overdue Other Borrowing and the Claims in relation to the Entrusted Loans; (ii) the successful and timely implementation of the plans and measures for the disposal of financial asset investments, outstanding loan receivables and loan interest receivables; (iii) the continual support from the existing lenders of the Group such that they will not demand for immediate repayment of the relevant borrowings; and (iv) the successful obtaining of new sources of financing as and when needed.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the Company's unaudited condensed consolidated financial statements for Period 2026 set out in this announcement.

PLEDGE OF ASSETS

As at 30 June 2026, the Group pledged certain investment properties, and plant and machinery with aggregate carrying values of approximately HK$1,841,197,000 and HK$2,533,000, respectively (31 December 2025: HK$1,858,250,000 and HK$2,487,000), to secure general banking facilities granted to the Group, other loans and other payables to an independent third party.

COMMITMENTS

As at 30 June 2026, the Group had no capital expenditures contracted for but not provided for in its unaudited condensed consolidated financial statements in respect of the purchase of property, plant and equipment (31 December 2025: HK$9,849,000) and unlisted equity securities (31 December 2025: HK$55,000).

CONTINGENT LIABILITIES

As at 30 June 2026, the Group provided corporate guarantees of approximately HK$409,997,000 (31 December 2025: HK$518,320,000) in respect of the loans granted to an associate of the Company, which was a joint venture of the Company as at 31 December 2025.

Save for the corporate guarantees mentioned above and the Claims disclosed in the section headed "Working Capital and Borrowings" above in this announcement, the Group did not have any contingent liabilities as at 30 June 2026.

CAPITAL STRUCTURE

As at 30 June 2026, the shareholders' fund of the Company was approximately HK$1,055,947,000, representing a decrease of approximately HK$338,591,000 or approximately 24.3%, as compared to that of approximately HK$1,394,538,000 as at 31 December 2025. The decrease was mainly contributed by (i) the loss attributable to the owners of the Company for Period 2026; and (ii) the exchange gain arising from the translation of foreign operations credited to exchange translation reserve due to the appreciation of RMB against HK$ during Period 2026.

HUMAN RESOURCES

As at 30 June 2026, the Group employed 50 employees (31 December 2025: 55 employees) in Hong Kong and in the PRC. Total employee benefit expenses for Period 2026 were approximately HK$22,887,000, as compared to those of approximately HK$20,632,000 for Period 2025.

During Period 2026, the Group offered its employees competitive remuneration packages, which were consistent with the prevailing market practices in the relevant jurisdictions. The remuneration package for each employee of the Group contains a combination or modification of some or all of the following four main components: (i) basic salary; (ii) incentive bonus; (iii) share options (no share option scheme of the Company is in force as at the date of this interim results announcement); and (iv) other benefits, such as statutory retirement scheme and medical insurance. Incentive bonus and share options for each employee are determined with reference to the employee's position, performance and ability to contribute to the overall success of the Group. The Group's remuneration policies remained unchanged during Period 2026. The employees of the Group are remunerated according to their respective job nature, market conditions, individual performance and qualifications. As the Group views career development as an important aspect of its employees, ongoing training has been provided to its employees according to the needs of the Group during Period 2026.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2026 (Period 2025: Nil).

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance in the interests of its shareholders of the Company.

Except for the deviations specified below, the Company has complied with all the applicable code provisions set out in the Corporate Governance Code ("**Code**") contained in Part 2 of Appendix C1 to the Listing Rules then in force throughout Period 2026.

Code provision C.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the period under review, the Company did not have a separate chairman and chief executive officer as Mr. Chu assumed both the roles of the chairman ("**Chairman**") and one of the co-chief executive officers of the Company. The Board believes that vesting both the roles of chairman and chief executive officer/co-chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions efficiently.

Pursuant to Code Provision B.2.4(b) of the Code, where all the independent non-executive directors of an issuer have served more than nine years on the board, the issuer should appoint a new independent non-executive director on the board at the forthcoming annual general meeting. As at the date of the annual general meeting ("**AGM**") of the Company (i.e. 29 June 2026), the two independent non-executive Directors, namely, Mr. Zhang Lu and Mr. Hung Muk Ming, had served more than nine years on the Board. However, the Company was unable to appoint a new independent non-executive Director to the Board at the AGM as it was still in the course of identifying a suitable candidate then. Following the resignation of Mr. Liang Qing ("**Mr. Liang**") with effect from 15 May 2026, Mr. Zeng Wenying ("**Mr. Zeng**") was appointed as an independent non-executive Director with effect from 14 August 2026.

NON-COMPLIANCE WITH RULES 3.10(1), 3.10A AND 3.21 OF THE LISTING RULES

Upon the resignation of Mr. Liang as an independent non-executive Director and a member of each of the audit committee of the Company ("**Audit Committee**") and the remuneration committee of the Company with effect from 15 May 2026, the Company had only two independent non-executive Directors. From 15 May 2026 to 13 August 2026, the Company did not meet (i) the minimum number of independent non-executive directors required under Rule 3.10(1) of the Listing Rules; (ii) the requirement under Rule 3.10A of the Listing Rules which stipulates that independent non-executive directors must represent at least one-third of the board; and (iii) the minimum number of members of the audit committee required under Rule 3.21 of the Listing Rules. Following the appointment of Mr. Zeng as an independent non-executive Director with effect from 14 August 2026, the Company has been in compliance with Rules 3.10(1), 3.10A and 3.21 of the Listing Rules.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted codes of conduct regarding securities transactions by Directors and by relevant employees (as defined in the Code) on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") contained in Appendix C3 to the Listing Rules.

On specific enquiries made, all Directors confirmed that they have complied with the required standards set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions during Period 2026.

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

During Period 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including treasury shares) of the Company.

EVENT AFTER REPORTING PERIOD

The Group had no significant event after the end of the period under review and up to the date of this announcement.

INTERIM FINANCIAL REPORT

The interim report of the Company for Period 2026 will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.silvergrant.com.cn) in due course.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and risk management and internal control systems of the Group. From 1 January 2026 to 14 May 2026, the Audit Committee comprised three independent non-executive Directors, namely, Mr. Hung Muk Ming, Mr. Zhang Lu and Mr. Liang. From 15 May 2026 to 13 August 2026, the Audit Committee comprised two independent non-executive Directors, namely, Mr. Hung Muk Ming and Mr. Zhang Lu. From 14 August 2026 up to the date of this announcement, the Audit Committee comprised three independent non-executive Directors, namely, Mr. Hung Muk Ming, Mr. Zhang Lu and Mr. Zeng. Mr. Hung Muk Ming has been the chairman of the Audit Committee.

The unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2026 have been reviewed by the Audit Committee.

APPRECIATION

The Board would like to express its appreciation and gratitude to the shareholders of the Company for their support and all the Group's employees for their hard work and dedication in carrying out their duties and in achieving the Group's business goals.

On behalf of the Board
Silver Grant International Holdings Group Limited
Chu Hing Tsung
Chairman, Co-Chief Executive Officer and Executive Director

Hong Kong, 28 August 2026

As at the date of this announcement, the Board comprises Mr. Chu Hing Tsung (alias Zhu Qing Yi) (Chairman and Co-Chief Executive Officer), Mr. Zhang Wenguang (Co-Chief Executive Officer), Mr. Weng Jian and Ms. Ku Ka Lee as executive Directors; Mr. Chen Yongcun and Mr. Chen Zhiwei as non-executive Directors; and Mr. Zhang Lu, Mr. Hung Muk Ming and Mr. Zeng Wenying as independent non-executive Directors.