萊蒙國際
TOPSPRiNG

TOP SPRING INTERNATIONAL HOLDINGS LIMITED
萊蒙國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03688)

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

HIGHLIGHTS

- For the six months ended 30 June 2026, the Group recorded an aggregate of pre-sales of properties and car park units of approximately HK$258.8 million, representing a decrease of approximately 42.6% as compared with the corresponding period of 2025, of which approximately HK$257.6 million was from pre-sales of properties with pre-sold saleable GFA of approximately 10,420 sq.m. and approximately HK$1.2 million was from pre-sales of 22 car park units. The ASP of the Group's pre-sales of properties was approximately HK$24,721.7 per sq.m., representing a decrease of approximately 49.7% as compared with the corresponding period of 2025.

- As at 30 June 2026, the Group had 15 projects with a total estimated net saleable/leasable GFA of approximately 388,236 sq.m.

- Revenue for the six months ended 30 June 2026 decreased by approximately 47.7% to approximately HK$385.7 million from approximately HK$737.3 million for the six months ended 30 June 2025.

- For the six months ended 30 June 2026, the Group generated recurring rental income of approximately HK$103.6 million (for the six months ended 30 June 2025: approximately HK$105.4 million) from its investment properties which mainly comprised shopping malls, community commercial centres, retail shops, offices and car park units. As at 30 June 2026, the investment property portfolio had a total leasable GFA of approximately 301,194 sq.m. and a fair value of approximately HK$6,053.7 million, representing approximately 54.3% of the Group's total asset value.

- Gross loss margin for the six months ended 30 June 2026 was approximately 56.1%, as compared to approximately 2.6% for the corresponding period of 2025.

- For the six months ended 30 June 2026, the loss attributable to equity shareholders of the Company and holders of PCSs was approximately HK$350.4 million (for the six months ended 30 June 2025: approximately HK$625.5 million).

- Basic and diluted loss per share attributable to equity shareholders of the Company and the holders of PCSs for the six months ended 30 June 2026 were approximately HK22.9 cents and HK22.9 cents, respectively (for the six months ended 30 June 2025: basic and diluted loss per share attributable to equity shareholders and holders of PCSs of HK40.9 cents and HK40.9 cents, respectively).

- Net assets per share attributable to equity shareholders of the Company and the holders of PCSs as at 30 June 2026 was approximately HK$2.0 (as at 31 December 2025: approximately HK$2.2).

- As at 30 June 2026, the net gearing ratio of the Group was approximately 162.1% (as at 31 December 2025: approximately 145.0%).

- No interim dividend has been declared for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**" and each a "**Director**") of Top Spring International Holdings Limited (the "**Company**") announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 together with selected explanatory notes and the relevant comparative figures for the corresponding period in 2025 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED 30 JUNE 2026 – UNAUDITED

(Expressed in Hong Kong dollars)

		Six months ended 30 June	
		2026	2025
	Note	***$'000***	*$'000*
Revenue	3	**385,716**	737,293
Direct costs		**(601,965)**	(756,784)
Gross loss		**(216,249)**	(19,491)
Valuation gains/(losses) on investment properties		**9,901**	(635,122)
Other revenue	4	**40,640**	58,236
Other net gains/(losses)	5	**26,511**	(3,070)
Selling and marketing expenses		**(22,069)**	(105,088)
Administrative expenses		**(76,805)**	(102,410)
Loss from operations		**(238,071)**	(806,945)
Finance costs	6(a)	**(123,644)**	(83,826)
Share of losses of associates		**(136)**	(269)
Loss before taxation	6	**(361,851)**	(891,040)
Income tax credit	7	**5,659**	140,730
Loss for the period		**(356,192)**	(750,310)
Attributable to:			
Equity shareholders of the Company and holders of bonus perpetual subordinated convertible securities ("**PCSs**")		**(350,393)**	(625,520)
Non-controlling interests		**(5,799)**	(124,790)
Loss for the period		**(356,192)**	(750,310)
Loss per share *(HK cents)*	8		
Basic		**(22.9)**	(40.9)
Diluted		**(22.9)**	(40.9)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2026 – UNAUDITED
(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Loss for the period	**(356,192)**	(750,310)
Other comprehensive income for the period (after tax and reclassification adjustments):		
Items that may be reclassified subsequently to profit or loss:		
– Exchange differences on translation of financial statements of foreign subsidiaries	**122,370**	163,738
Other comprehensive income for the period, net of income tax	**122,370**	163,738
Total comprehensive loss for the period	**(233,822)**	(586,572)
Attributable to:		
Equity shareholders of the Company and holders of PCSs	**(197,135)**	(466,192)
Non-controlling interests	**(36,687)**	(120,380)
Total comprehensive loss for the period	**(233,822)**	(586,572)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2026 – UNAUDITED
(Expressed in Hong Kong dollars)

	Note	**At 30 June 2026** *$'000*	At 31 December 2025 *$'000*
Non-current assets			
Investment properties		**6,053,725**	5,827,916
Other property, plant and equipment		**69,615**	69,985
		6,123,340	5,897,901
Intangible assets		**3,769**	3,769
Goodwill		**40,736**	40,736
Interest in associates		**3,085**	3,472
Financial assets measured at fair value through profit or loss ("**FVPL**")	10	**96,511**	94,955
Deferred tax assets		**68,379**	64,475
		6,335,820	6,105,308
Current assets			
Inventories and other contract costs	11	**2,231,490**	2,601,307
Trade and other receivables	12	**1,934,032**	1,828,994
Prepaid tax		**2,235**	2,235
Financial assets measured at FVPL	10	**54,671**	4,382
Restricted and pledged deposits		**108,281**	123,781
Cash and cash equivalents		**487,777**	520,948
		4,818,486	5,081,647

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2026 – UNAUDITED (CONTINUED)
(Expressed in Hong Kong dollars)

		At 30 June 2026 $'000	At 31 December 2025 $'000
Current liabilities			
Trade and other payables	13	**1,920,205**	1,818,205
Contract liabilities		**84,985**	69,499
Bank loans and other borrowings		**3,233,240**	1,649,562
Lease liabilities		**7,046**	7,840
Tax payable		**185,351**	226,808
		5,430,827	3,771,914
Net current (liabilities)/assets		**(612,341)**	1,309,733
Total assets less current liabilities		**5,723,479**	7,415,041
Non-current liabilities			
Bank loans and other borrowings		**2,002,152**	3,485,799
Lease liabilities		**19,495**	24,231
Deferred tax liabilities		**839,503**	808,861
		2,861,150	4,318,891
NET ASSETS		**2,862,329**	3,096,150
CAPITAL AND RESERVES			
Share capital		**141,273**	141,273
Reserves		**2,959,239**	3,156,373
Total equity attributable to equity shareholders of the Company and holders of PCSs		**3,100,512**	3,297,646
Non-controlling interests		**(238,183)**	(201,496)
TOTAL EQUITY		**2,862,329**	3,096,150

NOTES:

1 BASIS OF PREPARATION

The interim financial information set out in this announcement does not constitute the Group's interim financial report for the six months ended 30 June 2026, but is extracted from that interim financial report which 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 (the "**Listing Rules**"), 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 28 August 2026.

The interim financial information 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.

This interim financial information contains condensed consolidated interim 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 Top Spring International Holdings Limited ("**the Company**") and its subsidiaries (collectively referred to as "**the Group**") since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The financial information relating to the financial year ended 31 December 2025 that is included in this announcement of the interim results as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements.

Material uncertainty related to going concern

As at June 2026, the Group had net current liabilities of $612.3 million. For the six months ended 30 June 2026, the Group incurred a net loss of $356.2 million (six months ended 30 June 2025: loss of $750.3 million). The reportable segment loss for property development segment was $331.4 million (six months ended 30 June 2025: $232.6 million).

As at 30 June 2026, the Group's current bank loans and other borrowings amounted to $3,233.2 million. However, the Group only had cash and cash equivalents of $487.8 million. In view of the continuing deterioration of the property market, tightening of the financing environment and exchange restrictions for remittance of funds out of Chinese Mainland, the Group have challenges in realising cash from sale of its properties, securing additional financing, renewing existing banking facilities and borrowings and remitting funds from Chinese Mainland in a timely manner to meet its loan repayment obligations.

1 BASIS OF PREPARATION (CONTINUED)

In view of these circumstances, the directors of the Company have given consideration to the future liquidity of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. The directors have reviewed the Group's cash flow projections prepared by management covering a period of at least 12 months from 30 June 2026. Certain plans and measures have been or will be taken to mitigate the liquidity pressures and to improve its financial position which include, but not limited to, the following:

(i) Management is negotiating with the banks and a shareholder for renewal of existing credit facilities and the borrowings. Management confirmed that the shareholder loan of USD84.2 million (equivalent to HK$657.9 million) has been extended to 30 November 2026.

(ii) The Group is seeking potential buyers to acquire its properties and investments outside of Chinese Mainland.

(iii) The Group will continue to implement measures to accelerate the sales of its completed properties, and speed up the collection of outstanding sales proceeds and other receivables.

(iv) The Group will continue to take active measures to control administrative costs and maintain containment of capital expenditures.

The directors of the Company consider that, assuming the success of 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 for at least the next twelve months from 30 June 2026. Accordingly, the directors are satisfied that it is appropriate to prepare the interim financial information on a going concern basis.

Notwithstanding the above, the use of the going concern basis depends on successful implementation of the above plans and measures. There are uncertainties inherently associated with their future outcomes, including:

– successful negotiation with the banks and the shareholder on the renewal of existing credit facilities and borrowings.

– the Group's ability to secure buyers for the Group's properties and investment outside Chinese Mainland.

– the Group's ability to accelerate the sales of its completed properties, to speed up the collection of outstanding sales proceeds and other receivables.

– the Group's ability to implement cost control measures over administrative costs and to maintain containment of capital expenditures.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

1 BASIS OF PREPARATION (CONTINUED)

Should the Group fail to achieve a combination of the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their realisable 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 interim financial information.

2 CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

The Group has applied the following amendment to HKFRS Accounting Standards issued by the HKICPA to this interim financial information for the current accounting period:

- Amendments to HKFRS 9 and HKFRS 7 — Classification and Measurement of Financial Instruments (amendments)
- Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 — Annual Improvements to HKFRS Accounting Standards – Volume 11
- Amendments to HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 — Disclosures about Uncertainties in the Financial Statements (amendments)

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial information.

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

Estimates and judgments

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, in addition to the significant judgments and estimations applied by management in the preparation of the consolidated financial statements for the year ended 31 December 2025, the assessment of the going concern assumption also subject to judgment by the directors.

Judgment on going concern assumption

The assessment of the going concern assumption involves making a judgment by the directors, at the end of the reporting period, about the future outcome of events or conditions, which are inherently uncertain. The directors consider that the Group have the capabilities to continue as going concern and the major events and conditions, which may give rise to business risks, that individually or collectively may cast doubt upon the going concern assumption and related mitigating measures taken by management are set out in Note 1.

3 REVENUE AND SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified four reportable segments. No operating segments have been aggregated to form the following reportable segments.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines and geographical location of customers is as follows:

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
– Sales of properties	**139,250**	493,484
– Property management and related services income	**123,760**	120,156
– Education related services income	**19,135**	18,272
	282,145	631,912
Revenue from other sources		
Rental income	**103,571**	105,381
	385,716	737,293
Disaggregated by geographical location of customers		
– Chinese Mainland	**284,614**	492,456
– Hong Kong	**101,102**	244,837
	385,716	737,293

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

The revenue from sale of properties is recognised at point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property. Property management and related services and education related services income arising from the provision of services are recognised over time when such services are rendered. Lease income is recognised over the lease term.

Disaggregation of revenue from contracts with customers and revenue from other sources by divisions is disclosed in Note 3(b).

(b) Information about profit or loss, assets and liabilities

Disaggregation of revenue from contracts with customers, revenue from other sources as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

For the six months ended 30 June	Property development		Property investment		Property management and related services		Education related services		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$'000	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*
Revenue from external customers	**139,250**	493,484	**103,571**	105,381	**123,760**	120,156	**19,135**	18,272	**385,716**	737,293
Inter-segment revenue	**–**	–	**17,994**	20,334	**10,218**	10,143	**–**	–	**28,212**	30,477
Reportable segment revenue	**139,250**	493,484	**121,565**	125,715	**133,978**	130,299	**19,135**	18,272	**413,928**	767,770
Reportable segment (loss)/profit (adjusted EBITDA)	**(331,388)**	(232,637)	**45,369**	27,094	**(7,185)**	(6,747)	**6,819**	6,687	**(286,385)**	(205,603)
As at 30 June/31 December										
Reportable segment assets	**2.761.774**	3,159,664	**7,348,789**	7,191,190	**423,438**	414,840	**173,065**	183,718	**10,667,066**	10,949,412
Reportable segment liabilities	**5,550,517**	6,142,194	**219,086**	231,841	**308,794**	327,653	**59,793**	56,979	**6,138,190**	6,758,667

The measure used for reporting segment profit is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation", where "depreciation and amortisation" is regarded as including impairment losses on non-current assets. To arrive at "adjusted EBITDA", the Group's earnings are further adjusted for items which are non-recurring or not specifically attributed to individual segments, such as share of losses of associates, other revenue and net income, valuation gains/losses on investment properties, depreciation and amortization, finance costs and other head office or corporate expenses.

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(c) Reconciliations of reportable segment revenue and profit or loss

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Revenue		
Reportable segment revenue	**413,928**	767,770
Elimination of inter-segment revenue	**(28,212)**	(30,477)
Consolidated revenue	**385,716**	737,293
(Loss)/profit		
Reportable segment loss derived from Group's external customers	**(286,385)**	(205,603)
Share of losses of associates	**(136)**	(269)
Other revenue and net income	**60,342**	55,166
Depreciation and amortisation	**(4,839)**	(2,056)
Finance costs	**(123,644)**	(83,826)
Valuation gains/(losses) on investment properties	**9,901**	(635,122)
Unallocated head office and corporate expenses	**(17,090)**	(19,330)
Consolidated loss before taxation	**(361,851)**	(891,040)

4 OTHER REVENUE

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Bank interest income	**707**	12,474
Other interest income	**9,275**	18,316
Interest income on financial assets measured at amortised cost	**9,982**	30,790
Service income for carparks and apartments	**19,700**	14,874
Others	**10,958**	12,572
	40,640	58,236

5 OTHER NET LOSSES

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Fair value loss on financial assets measured at FVPL	**–**	(4,191)
Net exchange gain	**19,043**	1,927
Investment income	**103**	–
Others	**7,365**	(806)
	26,511	(3,070)

6 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
(a) Finance costs		
Interest on bank loans and other borrowings	**122,384**	154,044
Interest on lease liabilities	**1,131**	1,036
Other borrowing costs	**–**	638
	123,515	155,718
Accrued interest on significant financing component of contract liabilities	**129**	124
	123,644	155,842
Less: Amount capitalised	**–**	(72,016)
	123,644	83,826
(b) Staff costs		
Salaries, wages and other benefits	**81,040**	84,421
Contributions to defined contribution retirement plans	**4,555**	4,785
	85,595	89,206

6 LOSS BEFORE TAXATION (CONTINUED)

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
(c) Other items		
Depreciation and amortisation		
– plant and equipment	**1,434**	2,112
– right-of-use assets	**3,405**	4,262
	4,839	6,374
Cost of properties sold	**451,714**	464,377
Inventory write-down *(note 11)*	**367,683**	83,495
Rental income from investment properties	**(103,571)**	(105,381)
Less: Direct outgoings	**10,836**	8,869
	(92,735)	(96,512)

7 INCOME TAX (CREDIT)/EXPENSE

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Current tax		
Provision for Corporate Income Tax ("**CIT**")	**1,586**	1,967
Provision for Land Appreciation Tax ("**LAT**")	**(7,600)**	–
Provision for Hong Kong Profits Tax	**4,658**	4,558
	(1,356)	6,525
Deferred tax		
Origination and reversal of temporary differences	**(4,303)**	(147,255)
	(5,659)	(140,730)

Taxes on profits assessable in Chinese Mainland have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates. Under the PRC Corporate Income Tax Law, enterprises are subject to corporate income tax at a rate of 25% (2025: 25%).

Land appreciation tax ("**LAT**") has been provided in accordance with the requirements set forth in the relevant PRC laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation values, with certain allowable deductions.

The withholding tax arose from the 5% of dividend paid from a subsidiary established in Chinese Mainland to its holding company in Hong Kong.

7 INCOME TAX (CREDIT)/EXPENSE (CONTINUED)

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period.

8 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share during the six months ended 30 June 2026 is based on the loss attributable to equity shareholders and the holders of PCSs of the Company of $350,393,000 (loss attributable to equity shareholders and the holders of PCSs of the Company six months ended 30 June 2025: $625,520,000) and the weighted average number of 1,529,286,000 shares (six months ended 30 June 2025: 1,529,286,000 shares) in issue during the period, calculated as follows:

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Loss attributable to equity shareholders of the Company and the holders of PCSs	**(350,393)**	(625,520)
	'000	*'000*
Weighted average number of shares (thousand shares)		
Issued ordinary shares	**1,412,733**	1,412,733
Effect of bonus issue of shares (with PCSs as an alternative)	**116,553**	116,553
Weighted average number of shares	**1,529,286**	1,529,286

(b) Diluted loss per share

The diluted loss per share is the same as the basic loss per share for the six months ended 30 June 2026 and 2025, as there were no potential ordinary share in issue for both interim periods.

9 DIVIDENDS

No interim dividend is declared for the six months ended 30 June 2026 and 2025.

10 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 30 June 2026	At 31 December 2025
	$'000	*$'000*
Non-current		
Unlisted equity securities not held for trading	**37,833**	37,584
Trading securities	**24,060**	24,016
Receivables from the third parties *(note)*	**34,618**	33,355
	96,511	94,955
Current		
Unlisted equity securities not held for trading	**1,910**	1,895
Wealth management products	**52,761**	2,487
	54,671	4,382

Note: Receivables from the third parties are classified as level 3 financial instruments in the fair value hierarchy. The valuations of these financial assets are derived from valuations models which require a number of inputs and assumptions which are not observable from market data and which are significant to the entire measurement.

11 INVENTORIES AND OTHER CONTRACT COSTS

	At **30 June** **2026** ***$'000***	At 31 December 2025 *$'000*
Property development		
Leasehold land held for development for sale	**145,690**	145,636
Completed properties for sale	**2,078,536**	2,449,022
	2,224,226	2,594,658
Other contract costs	**265**	265
	2,224,491	2,594,923
Other operations		
Low value consumables and supplies	**6,999**	6,384
	2,231,490	2,601,307

During six months ended 30 June 2026, $367,683,000 (2025: $83,495,000) has been recognised as a reduction in the amount of inventories and recognised as an expense in profit or loss during the period, being the amount of a write-down of inventories to the estimated net realisable value.

The Group's certain properties under development for sale and completed properties for sale were pledged to secure bank loans and other borrowings.

12 TRADE AND OTHER RECEIVABLES

As at the end of the reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

	At 30 June 2026	At 31 December 2025
	$'000	*$'000*
Within 1 month	**26,321**	27,062
1 month to 3 months	**13,160**	13,531
3 months to 6 months	**8,774**	9,021
6 months to 1 year	**8,640**	8,483
Trade debtors, net of loss allowance	**56,895**	58,097
Other debtors, net of loss allowance *(Note (i))*	**628,624**	600,946
Less: amount to be recovered more than one year	**–**	–
	628,624	600,946
Financial assets measured at amortised cost	**685,519**	659,043
Deposits and prepayments *(Note (ii))*	**1,248,513**	1,169,951
	1,934,032	1,828,994

Notes:

(i) The details of other debtors, net of loss allowance, are set out below:

	At 30 June 2026	At 31 December 2025
	$'000	*$'000*
Loans to the third parties (a)	**297,781**	287,773
Others	**330,843**	313,173
	628,624	600,946

(a) As at 30 June 2026, all of the balances were secured, interest-bearing from 8% to 15% (31 December 2025: 8% to 15%) per annum and recoverable within one year.

12 TRADE AND OTHER RECEIVABLES (CONTINUED)

Notes: (continued)

(ii) The details of deposits and prepayments are set out below:

	At 30 June 2026 *$'000*	At 31 December 2025 *$'000*
Prepayments for acquisition of land use rights	**770,631**	747,964
Prepayments for acquisitions of properties	**30,000**	30,000
Prepayments for value added tax and other taxes	**261,974**	252,076
Others	**185,908**	139,911
	1,248,513	1,169,951

13 TRADE AND OTHER PAYABLES

	At 30 June 2026 *$'000*	At 31 December 2025 *$'000*
Trade payables *(Note (i))*	**205,626**	158,496
Other creditors and accrued charges *(Note (ii))*	**435,435**	387,473
Amounts due to non-controlling interests *(Note (iii))*	**1,161,890**	1,128,465
Financial liabilities measured at amortised cost	**1,802,951**	1,674,434
Rental and other deposits	**80,677**	80,135
Valued added tax and other tax payables	**36,577**	63,636
	1,920,205	1,818,205

13 TRADE AND OTHER PAYABLES (CONTINUED)

Notes:

(i) Included in trade and other payables are trade payables with the following ageing analysis based on the date of trade payables recognised at the end of the reporting period:

	At 30 June 2026 ***$'000***	At 31 December 2025 *$'000*
Within 1 month	**65,343**	50,366
Over 1 month but within 3 months	**43,912**	33,847
Over 3 months but within 6 months	**41,765**	32,192
Over 6 months but within 1 year	**32,123**	24,760
Over 1 year	**22,483**	17,331
	205,626	158,496

(ii) The estimated present value of the construction costs for future settlement properties to be compensated to residents of $37,457,000 (31 December 2025: $36,091,000) is included in other creditors and accrued charges which is expected to be settled within one year by delivering the respective properties.

(iii) As at 30 June 2026, apart from the amounts due to non-controlling interests of $102,302,000 (31 December 2025: $92,122,000) which are interest-bearing at 4.35% (31 December 2025: 4.35%) per annum, unsecured and repayable on demand, all of the balances are unsecured, interest-free and repayable on demand.

EXTRACT OF REVIEW REPORT

The following is an extract of BDO Limited's review report on the Group's interim financial report for the six months ended 30 June 2026:

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Material uncertainty related to going concern

Without qualifying our conclusion, we draw attention to note 1 to the interim condensed consolidated financial statements, which indicates that for the six months ended 30 June 2026, the Group incurred a net loss of $356.2 million. As at 30 June 2026, the Group's current bank loans and other borrowings amounted to $3,233.2 million, however, the Group only had cash and cash equivalents amounting to $487.8 million. These conditions, along with other matters as set forth in note 1 to the interim condensed consolidated financial statements, indicate that a material uncertainty exists on the Group's ability to continue as a going concern.

MANAGEMENT DISCUSSION AND ANALYSIS

Business review for the six months ended 30 June 2026

(1) Pre-sales

For the six months ended 30 June 2026, the Group recorded an aggregate of pre-sales of properties and car park units of approximately HK$258.8 million (of which approximately HK$257.6 million was from pre-sales of properties), representing a decrease of approximately 42.6% as compared to the figure recorded in the corresponding period of 2025. The Group's total pre-sold gross floor area ("**GFA**") was approximately 10,420 sq.m., representing an increase of approximately 13.7% from approximately 9,162 sq.m. for the six months ended 30 June 2025. The average selling price ("**ASP**") of the Group's pre-sales of properties for the six months ended 30 June 2026 was approximately HK$24,721.7 per sq.m. (for the six months ended 30 June 2025: approximately HK$49,126.8 per sq.m.). In addition, the Group recorded pre-sales of car park units of approximately HK$1.2 million from 22 car park units for the six months ended 30 June 2026.

A breakdown of the total pre-sales of the Group during the six months ended 30 June 2026 is set out as follows:

City	Project and type of project	Pre-sold GFA		Pre-sales		Pre-sales ASP
		sq.m.	*%*	*HK$ million*	*%*	*HK$/sq.m.*
Shenzhen	Shenzhen Jianshang Commercial Building – commercial	709	6.8	18.8	7.3	26,516.2
Tianjin	Tianjin Le Lemen City – residential	8,564	82.2	79.7	30.9	9,306.4
Shenzhen	Shenzhen Upper Residence – residential	38	0.4	1.3	0.6	34,210.5
Shenzhen	Shenzhen Topspring International Mansion – commercial	734	7.0	31.2	12.1	42,506.8
Hong Kong	Hong Kong 128 WATERLOO – residential	375	3.6	126.6	49.1	337,600.0
		10,420	100.0	257.6	100.0	24,721.7

City	Project	Number of pre-sold car park units		Pre-sales		Pre-sales ASP
		unit	*%*	*HK$ million*	*%*	*HK$/unit*
Changzhou	Changzhou Fashion Mark	11	50.0	0.4	33.3	36,363.6
Nanjing	The Sunny Land – Nanjing	11	50.0	0.8	66.7	72,727.3
		22	100.0	1.2	100.0	54,545.5

(2) Projects delivered and booked for the six months ended 30 June 2026

For the six months ended 30 June 2026, the Group's property development business in Shenzhen and Hong Kong achieved revenue from sale of properties (excluding sale of car park units) of approximately HK$138.5 million with saleable GFA of approximately 1,670 sq.m. The recognised ASP of the Group's sale of properties was approximately HK$82,934.1 per sq.m. for the six months ended 30 June 2026.

For the six months ended 30 June 2026, the Group delivered and recognised sale of car park units of approximately HK$0.7 million from the sale of 11 car park units.

Details of sale of properties recognised by the Group during the six months ended 30 June 2026 are listed below:

City	Project and type of project	Saleable GFA booked	Sale of properties recognised	Recognised ASP
		sq.m.	*HK$ million*	*HK$/sq.m.*
Shenzhen	Shenzhen Jianshang Commercial Building – commercial	1,418	56.5	39,844.9
Hong Kong	Hong Kong 128 WATERLOO – residential	252	82.0	325,396.8
Total		1,670	138.5	82,934.1

Details of sale of car park units recognised by the Group during the six months ended 30 June 2026 are listed below:

City	**Project**	**Number of car park units booked**	**Sale of car park units recognised**	**Recognised ASP**
		unit	*HK$ million*	*HK$/unit*
Nanjing	The Sunny Land – Nanjing	11	0.7	63,636.4

(3) Investment properties

In addition to the sale of properties developed by the Group, the Group has also leased out or expects to lease out its investment property portfolio, which mainly comprises shopping malls, community commercial centres, retail shops, serviced apartments and car park units in The Spring Land – Shenzhen, Changzhou Fashion Mark, Dongguan Landmark, Hangzhou Landmark, Shenzhen Water Flower Garden, Chengdu Fashion Mark, Shenzhen Excellence Times Square, Shanghai Bay Valley and Kunming Dianchi Lakeside Peninsula in Mainland China. As at 30 June 2026, the total fair value of the investment properties of the Group was approximately HK$6,053.7 million, representing approximately 54.3% of the Group's total asset value. The Group's investment property portfolio had a total leasable GFA of approximately 301,194 sq.m. The Group recorded gain of approximately HK$9.9 million (for the six months ended 30 June 2025: loss of approximately HK$635.1 million) in fair value of its investment properties for the six months ended 30 June 2026.

The Group carefully plans and selects tenants based on factors such as the project's overall positioning, market demand in surrounding areas, market rent and development needs of tenants. The Group attracts large-scale anchor tenants which assist in enhancing the value of its projects. The Group enters into longer-term and more favourable lease contracts with such anchor and reputable tenants which include well-known brands, chain cinema operators, reputable restaurants and top operators of catering businesses. As at 30 June 2026, the GFA taken up by these anchor and reputable tenants, whose leased GFA was over 10.0% of the total leasable GFA of a single investment property, made up approximately 32.0% (as at 31 December 2025: approximately 37.0%) of the Group's total leasable GFA in its investment properties under operation.

The Group generated rental income of approximately HK$103.6 million for the six months ended 30 June 2026, representing a decrease of approximately 1.7% from approximately HK$105.4 million for the six months ended 30 June 2025. The average monthly rental income of the Group's investment properties under operation for the six months ended 30 June 2026 was approximately HK$60.8 per sq.m. (for the six months ended 30 June 2025: approximately HK$64.8 per sq.m.). The decrease in the average monthly rental income was mainly attributable to a decrease in rental rate of the Group's existing investment properties under operation during the six months ended 30 June 2026.

(4) Land bank as at 30 June 2026

The PRC

The Group is specialised in the development and operation of urban mixed-use communities and the development and sale of residential properties in the Guangdong-Hong Kong-Macau Greater Bay Area (the "**Greater Bay Area**"), the Yangtze River Delta, the Central China, the Beijing-Tianjin and the Chengdu- Chongqing regions in the People's Republic of China (the "**PRC**" or "**China**" or "**Chinese Mainland**").

As at 30 June 2026, the Group had a total of 15 projects in various stages of development, including an estimated net saleable/leasable GFA of completed projects of approximately 381,739 sq.m., and an estimated net saleable/leasable GFA of projects contracted to be acquired or under application for change in land use of approximately 6,497 sq.m., totalling an estimated net saleable/leasable GFA of approximately 388,236 sq.m., the details of which are as follows:

Project no.	**City**	**Project**	**Type of project**	**Estimated net saleable/ leasable GFA**	**Interest attributable to the Group**
				sq.m.	*%*
Completed Projects					
1	Shenzhen	Shenzhen Hidden Valley	Residential	996	100.0
2	Shenzhen	The Spring Land – Shenzhen	Commercial	33,454	100.0
3	Shenzhen	Shenzhen Water Flower Garden	Commercial	4,992	100.0
4	Changzhou	Changzhou Fashion Mark	Commercial	78,756	100.0
5	Dongguan	Dongguan Landmark	Commercial	20,172	100.0
6	Hangzhou	Hangzhou Landmark	Commercial	26,264	100.0
7	Chengdu	Chengdu Fashion Mark	Commercial	38,325	100.0
8	Tianjin	Tianjin Le Lemen City	Residential/ Commercial	16,463	58.0
9	Shanghai	Bay Valley Project	Commercial	97,526	70.0
10	Kunming	Kunming Dianchi Lakeside Peninsula	Commercial	1,415	100.0
11	Hong Kong	Hong Kong 128 WATERLOO	Residential	401	60.0
12	Shenzhen	Shenzhen Excellence Times Square	Commercial	1,135	100.0
13	Shenzhen	Shenzhen Jianshang Commercial Building	Commercial	3,820	100.0
14	Shenzhen	Shenzhen Topspring International Mansion	Commercial	58,020	100.0
				381,739	
Projects Contracted to be Acquired or under Application for Change in Land Use					
15	Hong Kong	Hong Kong Sheung Shui Ma Sik Road Project	Residential	6,497	50.0
Sub-total				6,497	
Total				388,236	

Details of land bank in major cities are set out below:

Region/City	Estimated net saleable/ leasable GFA
	sq.m.
Shenzhen and surrounding regions (including Dongguan)	122,589
Shanghai	97,526
Chengdu	38,325
Hangzhou	26,264
Tianjin	16,463
Changzhou	78,756
Kunming	1,415
Hong Kong	6,898
Total	388,236

The Group intends to continue leveraging its experience in identifying land parcels in and/or outside the PRC with investment potential at advantageous times and acquiring land reserves which are or will be well connected with transportation and infrastructure developments. Moreover, the Group intends to continue acquiring new land parcels or projects in locations in and/or outside the PRC with vibrant economies and strong growth potential, in particular, the Greater Bay Area (including Hong Kong, Shenzhen and Dongguan) and Shanghai.

BUSINESS REVIEW

In the first half of 2026, the Group recorded an aggregate of pre-sales of properties and car park units of approximately HK$258.8 million (corresponding period of 2025: approximately HK$451.1 million), pre-sold saleable GFA of 10,420 sq.m. (corresponding period of 2025: 9,162 sq.m.).

In the first half of 2026, the Group's rental income from investment properties was approximately HK$103.6 million (corresponding period of 2025: approximately HK$105.4 million), representing a decrease of approximately 1.7%. As at 30 June 2026, the overall occupancy rate of the Group's investment properties was 83.2% (as at 30 June 2025: 88.7%). As at 30 June 2026, the total leasable GFA of the operating investment property portfolio was 301,194 sq.m. (as at 30 June 2025: 301,194 sq.m.). In addition, as at 30 June 2026, the accumulated total area of properties managed by the Group amounted to approximately 12,289,000 sq.m., of which approximately 7,929,000 sq.m. external expansion project area was not developed by the Group and approximately 1,499,000 sq.m. was commercial property management projects.

As at 30 June 2026, the land bank (i.e. the net saleable/leasable GFA) of 15 projects of the Group was approximately 388,236 sq.m. In terms of land bank strategy, the Group will primarily focus on the Greater Bay Area and the first-tier cities in China, such as Shenzhen, Shanghai and Hong Kong.

FUTURE OUTLOOK

Firmly anchoring on the development opportunities in the Greater Bay Area, core cities and regions

The synergistic effect of the Guangdong-Hong Kong-Macao Greater Bay Area continues to unfold, with regional infrastructure connectivity, deep integration of industrial chains, and the augmented population agglomeration effects further enhanced. The benefits of the Shenzhen-Zhongshan Link's opening continue to materialise, the development of the "one zone, two parks" in the Hetao Shenzhen-Hong Kong Science and Technology Innovation Co-operation Zone is advancing steadily, with the regional integration landscape being further consolidated. The Group will closely follow the strategic planning and key areas on the construction of the Greater Bay Area by focusing on the core cities like Hong Kong, Shenzhen and Guangzhou, and advancing the development and delivery of existing projects. Meanwhile, we will identify project opportunities and drive the implementation of its development strategy.

Maintaining and moderately expanding rental properties that generate stable income

The counter-cyclical nature of commercial and office properties will continue to provide stable rental income to the Group, which is a key component of the Company's stable cash flow. The Group strives to continue holding and optimising the operation of premium property assets with its sound asset management capabilities, aiming to improve property operation efficiency and brand value to maintain and increase the value of our properties.

Focusing on Hong Kong while actively seizing overseas investment opportunities

The Group is full of confidence about Hong Kong's pivotal role within the Greater Bay Area, as well as the development potential in its northern metropolitan area. Development and infrastructure works in key areas of the northern metropolitan area are proceeding in an orderly manner, and regional development momentum continues to build up. The Group will continue to leverage its strengths to build high-end boutiqued properties. While closely monitoring the emerging opportunities during market consolidation, it will deepen its presence in the Hong Kong market, expand high-quality projects when appropriate, and consolidate its market position, and prudently assess potential opportunities in overseas markets.

Gaining insight into potential investment opportunities to foster new business growth points

The Group will continue to monitor market dynamics and industry trends, focus on new economic development opportunities and urban renewal policy directions, and keep a close watch on changes in demand for emerging industries. In line with its own asset characteristics and resources endowments, the Group will exercise prudent judgment and flexibly capture business breakthroughs and growth potential. At the same time, it will propel the synergistic development of its diversified businesses and real estate business, accumulating momentum for the Group's medium- to long-term business prosperity and growth.

FINANCIAL REVIEW

For the six months ended 30 June 2026, the Group's total revenue and income from sale of properties were approximately HK$385.7 million and HK$139.2 million, respectively, decreased by approximately 47.7% and 71.8%, respectively, as compared to the corresponding period of 2025. The Group recorded a loss attributable to equity shareholders of the Company and holders of PCSs of approximately HK$350.4 million, compared to a loss of approximately HK$625.5 million for the corresponding period in 2025. As of 30 June 2026, net assets per share attributable to equity shareholders of the Company and holders of PCSs were approximately HK$2.0, compared to approximately HK$2.2 as of 31 December 2025.

No interim dividend has been declared for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

Revenue

Revenue represents income from sale of properties, rental income, income from provision of property management and related services and income from provision of education related services earned during the current period, net of value-added tax and other sales related taxes and discounts allowed.

The Group's revenue decreased by approximately 47.7% to approximately HK$385.7 million for the six months ended 30 June 2026 from approximately HK$737.3 million for the six months ended 30 June 2025. This decrease was primarily due to the decrease in the Group's income from sales of properties. The Group recognised property sales of approximately HK$139.2 million, which accounted for approximately 36.1% of the total revenue for the six months ended 30 June 2026. The remaining approximately 63.9% comprised rental income, property management and related services income and income from education related services and products.

Revenue from the Group's rental income and property management and related services income increased by approximately 0.8% for the six months ended 30 June 2026 as compared to the corresponding period in 2025.

Direct costs

The principal component of direct costs is the cost of completed properties sold, which consists of land premium, construction and other development costs, capitalised borrowing costs during the construction period, the cost of rental income, the cost of property management and related services and the cost of education related services. The Group recognises the cost of completed properties sold for a given period to the extent that revenue from such properties has been recognised in that period.

The Group's direct costs decreased to approximately HK$602.0 million for the six months ended 30 June 2026 from approximately HK$756.8 million for the six months ended 30 June 2025. Such decrease was primarily due to the decrease in sales of properties.

Gross loss

The Group recorded a gross loss of approximately HK$216.2 million for the six months ended 30 June 2026 as compared with a gross loss of approximately HK$19.5 million for the six months ended 30 June 2025. The Group recorded a gross loss margin of approximately 56.1% for the six months ended 30 June 2026 as compared to a gross loss margin of approximately 2.6% for the six months ended 30 June 2025. The increase was primarily due to the increase in the impairment of certain inventories during the period.

Other revenue

Other revenue decreased by approximately HK$17.6 million, or approximately 30.2%, to approximately HK$40.6 million for the six months ended 30 June 2026 from approximately HK$58.2 million for the six months ended 30 June 2025. The decrease was primarily attributable to the decrease in other interest income and bank interest income.

Other net (losses)/gains

Other net gains amounted to approximately HK$26.5 million for the six months ended 30 June 2026, as compared with other net losses of approximately HK$3.1 million for the corresponding period in 2025. The turnaround was mainly attributable to exchange gains recognised during the period.

Selling and marketing expenses

Selling and marketing expenses decreased by approximately 79.0% to approximately HK$22.1 million for the six months ended 30 June 2026 from approximately HK$105.1 million for the six months ended 30 June 2025, which was mainly due to the decrease in the sales of properties.

Administrative expenses

Administrative expenses decreased by approximately 25.0% to approximately HK$76.8 million for the six months ended 30 June 2026 from approximately HK$102.4 million for the six months ended 30 June 2025 due to the decrease in legal and professional fees and staff costs incurred.

Valuation gains/(losses) on investment properties

Fair value gains on investment properties amounted to approximately HK$9.9 million for the six months ended 30 June 2026, as compared with fair value losses of approximately HK$635.1 million for the corresponding period in 2025. The turnaround was mainly attributable to the stabilisation of fair value changes on investment properties.

Finance costs

Finance costs increased by approximately 47.5% to approximately HK$123.6 million for the six months ended 30 June 2026 from approximately HK$83.8 million for the corresponding period in 2025. The increase was primarily attributable to the absence of capitalised interest during the period.

Income tax credit

Income tax credit decreased to approximately HK$5.7 million for the six months ended 30 June 2026, from approximately HK$140.7 million for the six months ended 30 June 2025. The income tax credit for the period was mainly attributable to deferred tax arising from fair value losses on investment properties recognised in prior periods.

Non-controlling interests

The loss attributable to non-controlling interests was approximately HK$5.8 million for the six months ended 30 June 2026 as compared with a loss of approximately HK$124.8 million for the corresponding period in 2025.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash position

As at 30 June 2026, the carrying amount of the Group's cash and bank deposits was approximately HK$596.1 million (as at 31 December 2025: approximately HK$644.7 million), representing a decrease of approximately 7.5%.

Borrowings and charges on the Group's assets

The Group's aggregate borrowings (including bank and other borrowings and lease liabilities) as at 30 June 2026 amounted to approximately HK$5,261.9 million, of which approximately HK$3,240.3 million was repayable within one year, approximately HK$1,101.5 million was repayable after one year but within five years and approximately HK$920.2 million was repayable after five years.

As at 30 June 2026, the Group's bank loans of approximately HK$4,577.5 million (as at 31 December 2025: approximately HK$4,482.4 million) were secured by certain investment properties, property, plant and equipment, leasehold land held for development for sale, properties under development for sale, completed properties for sale, pledged deposits and rental receivables of the Group with total carrying values of approximately HK$10,154.8 million (as at 31 December 2025: approximately HK$10,003.5 million).

As at 30 June 2026, the carrying amounts of all the Group's bank loans and other borrowings were denominated in RMB, except for certain borrowings denominated in Hong Kong dollars and US dollars with aggregate carrying amounts equivalent to approximately HK$104.3 million (as at 31 December 2025: approximately HK$178.8 million) and HK$657.9 million (as at 31 December 2025: approximately HK$655.2 million), respectively.

Cost of borrowings

The Group's annualised average cost of borrowings, calculated by dividing total interest expenses (both expensed and capitalised) by average borrowings during the period, was approximately 5.7% for the six months ended 30 June 2026 (for the six months ended 30 June 2025: approximately 5.1%).

Net gearing ratio

The net gearing ratio is calculated by dividing the Group's net borrowings (aggregate borrowings net of cash and cash equivalents and restricted and pledged deposits) by the total equity. The Group's net gearing ratios as at 30 June 2026 and 31 December 2025 were approximately 162.1% and 145.0%, respectively. The rise in net gearing ratio was mainly attributable to the impairment losses of certain inventories during the six months ended 30 June 2026.

Foreign exchange risk

As at 30 June 2026, the Group had cash balances denominated in RMB of approximately RMB346.0 million (equivalent to approximately HK$399.2 million), in US dollars of approximately US$0.2 million (equivalent to approximately HK$1.5 million).

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in RMB. The Group is exposed to foreign currency risk arising from the exposure of RMB against Hong Kong dollars, US dollars or Australian dollars as a result of its investment in the PRC and the settlement of certain administrative expenses and borrowings in Hong Kong dollars, US dollars or Australian dollars. In addition, RMB is not freely convertible into foreign currencies and the conversion of RMB into foreign currencies is subject to rules and regulations of the foreign exchange control promulgated by the PRC government. The Group does not have a foreign currency hedging policy. However, the Directors monitor the Group's foreign exchange exposure closely and may, depending on the circumstances and trend of foreign currency, consider adopting significant foreign currency hedging policy in the future.

NET ASSETS PER SHARE

Net assets per share of the Company as at 30 June 2026 and 31 December 2025 was calculated as follows:

	As at 30 June 2026	As at 31 December 2025
Net assets attributable to equity shareholders of the Company and the holders of PCSs *(HK$'000)*	**3,100,512**	3,297,646
Number of issued ordinary shares *('000)*	**1,412,733**	1,412,733
Number of outstanding PCSs *('000)*	**116,553**	116,553
Number of shares for the calculation of net assets per share *('000)*	**1,529,286**	1,529,286
Net assets per share attributable to equity shareholders of the Company and the holders of PCSs *(HK$) (Note)*	**2.0**	2.2

Note: The net assets per share attributable to equity shareholders of the Company and the holders of PCSs is calculated as if the holders of PCSs have converted the PCSs into Shares as at 30 June 2026 and 31 December 2025.

CONTINGENT LIABILITIES

As at 30 June 2026, save for the guarantees of approximately HK$186.4 million (as at 31 December 2025: approximately HK$166.3 million) given to financial institutions for mortgage loan facilities granted to purchasers of the Group's properties, the Group had no other material contingent liabilities.

Pursuant to the mortgage contracts, the Group is required by the relevant banks to guarantee its purchasers' mortgage loans until it completes the relevant properties and the property ownership certificates and certificates of other interests with respect to the relevant properties are delivered to its purchasers. If a purchaser defaults on a mortgage loan, the Group may have to repurchase the underlying property by paying off the mortgage. If the Group fails to do so, the mortgagee bank may auction the underlying property and recover any shortfall from the Group as the guarantor of the mortgage loan.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisition or disposal of subsidiaries, associates or joint ventures from 1 January 2026 up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group employed a total of 705 employees (as at 30 June 2025: 718 employees) in Chinese Mainland and Hong Kong, of which, 39 were under the headquarters team, 75 were under the property development division and 562 were under the retail operation and property management division, 29 were under education division. For the six months ended 30 June 2026, the Group's total staff costs amounted to approximately HK$85.6 million (for the six months ended 30 June 2025: approximately HK$89.2 million). The remuneration of the employees was determined based on their performance, work experience, skills, knowledge and the prevailing market wage levels. The Group remunerated the employees by means of basic salaries, cash bonuses and equity settled share-based payments.

A share option scheme (the "**Share Option Scheme**") was adopted pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 8 June 2022. As at 30 June 2026 and the date of this announcement, no share option was granted by the Company pursuant to the Share Option Scheme.

EVENTS AFTER THE REPORTING PERIOD

There had been no significant event since the end of the reporting period and up to the date of this announcement.

INTERIM DIVIDEND

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

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares) during the six months ended 30 June 2026.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has applied the principles and the code provisions of the Corporate Governance Code (the "**CG Code**") contained in "Part 2 – Principles of Good Corporate Governance, Code Provisions and Recommended Best Practices" of Appendix C1 to the Listing Rules during the six months ended 30 June 2026 and, where appropriate, adopted the recommended best practices set out in the CG Code, except for the following deviation:

Under Code Provision C.2.1 of the CG Code, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. During the six months ended 30 June 2026, Mr WONG Chun Hong performed his duties as the chairman and the chief executive officer of the Company. The Board considers that vesting both roles in the same person ensures consistent leadership within the Group and enables more effective and efficient planning of long-term strategies and implementation of business plans. The Board believes that the balance of power and authority is adequately ensured by the operations and governance of the Board which comprises experienced and high calibre individuals, with more than half of the Board members being non-executive or independent non-executive Directors. The Company will review the current structure when and as it becomes appropriate.

The Directors are committed to upholding the corporate governance of the Company to ensure that formal and transparent procedures are in place to protect and maximise interests of the shareholders of the Company.

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**") set out in Appendix C3 to the Listing Rules as its code of conduct for securities transactions by the Directors. After having made specific enquiries with all the Directors, all the Directors have confirmed that they had complied with the required standards set out in the Model Code and its code of conduct during the six months ended 30 June 2026.

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The audit committee of the Company has reviewed the accounting principles and practice adopted by the Group and has reviewed the interim results of the Group for the six months ended 30 June 2026. The audit committee of the Company comprises three independent non-executive Directors, namely Mr CHAN So Kuen (Chairman), Professor WU Si Zong and Mr CHAN Yee Herman.

The financial information in this announcement is unaudited and is derived from the interim financial report for the six months ended 30 June 2026. The interim financial report is unaudited, but has been reviewed by BDO Limited, the Company's auditor, 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. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable the auditor to obtain assurance that they would become aware of all significant matters that might be identified in an audit. Accordingly, BDO Limited did not express an audit opinion.

As such, the figures disclosed herein are for investors' reference only. Investors are advised to exercise caution and not to place undue reliance on such information when dealing in the securities of the Company. If in doubt, investors are advised to seek professional advice from professional or financial advisers.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange at **www.hkex.com.hk** and at the website of the Company at **www.topspring.com**. The interim report will be despatched to the shareholders of the Company (if requested) and available on the above websites in accordance with the Listing Rules in due course.

By order of the Board
TOP SPRING INTERNATIONAL HOLDINGS LIMITED
WONG Chun Hong
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the executive Directors are Mr WONG Chun Hong, Ms LAM Mei Ka, Shirley and Mr WONG Sze Yuen; the non-executive Directors are Mr YIP Hoong Mun and Mr KUI Qiang; and the independent non-executive Directors are Mr CHAN So Kuen, Professor WU Si Zong and Mr CHAN Yee Herman.

Note: Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Accordingly, figures shown as total sums in certain tables may not be an arithmetic aggregation of figures preceding them.