首程控股
SHOUCHENG HOLDINGS

首程控股有限公司
SHOUCHENG HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 697)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

– The Group recorded revenue of approximately HK$687 million, as compared to approximately HK$731 million in the same period last year.

– The Group recorded profit attributable to owners of the Company of approximately HK$206 million as compared to profit attributable to owners of the Company of approximately HK$339 million in the same period of last year. Excluding the one-off non-recurring return of approximately HK$146 million arising from the disposal of Shougang Fushan Resources Group Limited ("**Shougang Resources**") during the same period last year, the profit attributable to the owners of the Company for the current period represents an increase of approximately 6.7% from the same period last year.

– The basic and diluted earnings per share for the period were approximately HK2.50 cents. The basic and diluted earnings per share for the same period last year were HK4.77 cents.

The Board has declared an interim dividend in the total amount of approximately HK$165 million for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$271 million).

On 27 March 2026, the Board declared a special dividend in the aggregate amount of HK$470 million, comprising the first tranche of special dividend of HK$235 million, which was paid on 29 June 2026. The second tranche of special dividend of HK$235 million is payable on 29 December 2026.

INTERIM RESULTS

The board of directors (the "**Board**") of Shoucheng Holdings Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026. These interim results have been reviewed by the Company's Audit Committee and auditor.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

		Six months ended 30 June	
		2026	2025
	Note	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	*3*	**687,446**	731,158
Cost of sales		**(392,559)**	(436,519)
Gross profit		**294,887**	294,639
Other income		**123,810**	119,543
Other gains, net		**14,612**	187,366
Administrative expenses		**(144,877)**	(146,698)
Operating profit		**288,432**	454,850
Finance costs		**(51,070)**	(60,620)
Share of results of associates		**(712)**	(2,742)
Share of results of joint ventures		**(360)**	(842)
Change in fair value of compound embedded derivative of convertible bonds		**1,902**	–
Profit before income tax		**238,192**	390,646
Income tax expense	*4*	**(34,711)**	(49,126)
Profit for the period		**203,481**	341,520
Profit/(loss) is attributable to:			
Owners of the Company		**205,774**	339,026
Non-controlling interests		**(2,293)**	2,494
		203,481	341,520

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	Note	Six months ended 30 June **2026** ***HK$'000*** **(Unaudited)**	2025 *HK$'000* (Unaudited)
Other comprehensive income/(loss)			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**206,699**	137,941
Exchange differences of associates and joint ventures arising on translation of foreign operations		**24,966**	22,180
Items that will not be reclassified to profit or loss:			
Exchange differences arising on currency translation		**4,624**	2,512
Fair value changes on financial assets at fair value through other comprehensive income ("**FVOCI**"), net of tax		**(401,998)**	104,811
Other comprehensive (loss)/income for the period		**(165,709)**	267,444
Total comprehensive income for the period		**37,772**	608,964
Total comprehensive income attributable to:			
Owners of the Company		**35,441**	603,958
Non-controlling interests		**2,331**	5,006
		37,772	608,964
Earnings per share for profit attributable to owners of the Company:			
Basic earnings per share *(HK cents)*	*5*	**2.50**	4.77
Diluted earnings per share *(HK cents)*	*5*	**2.50**	4.77

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	**30 June 2026** ***HK$'000*** **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**211,158**	212,137
Right-of-use assets		**2,222,888**	2,321,222
Contract assets in respect of service concession arrangements		**12,547**	113,558
Investment properties		**1,060,120**	1,023,151
Investments in associates		**114,733**	110,728
Investments in joint ventures		**721,226**	623,134
Investments – non-current		**2,718,255**	2,076,005
Prepayments, deposits and other receivables – non-current		**165,042**	159,222
Deferred income tax assets		**128,532**	41,478
Other non-current assets		**635,407**	526,563
Time deposits – non-current		**713,804**	1,408,904
Total non-current assets		**8,703,712**	8,616,102
Current assets			
Inventories		**2,952**	357
Trade receivables	*6*	**214,741**	132,070
Prepayments, deposits and other receivables – current		**622,544**	367,860
Investments – current		**120,110**	139,896
Restricted deposits		**25,853**	49,495
Time deposits – current		**1,691,965**	2,589,841
Bank balances and cash		**3,522,200**	3,671,089
Total current assets		**6,200,365**	6,950,608
Total assets		**14,904,077**	15,566,710

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	**30 June 2026** *HK$'000* **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
EQUITY			
Capital and reserves			
Share capital	*8*	**14,985,191**	14,975,060
Reserves		**(4,919,662)**	(3,901,374)
Capital and reserves attributable to owners of the Company		**10,065,529**	11,073,686
Non-controlling interests		**66,497**	70,369
Total equity		**10,132,026**	11,144,055
LIABILITIES			
Non-current liabilities			
Bond payables – non-current		**427,313**	969,528
Lease liabilities – non-current		**1,780,513**	1,840,324
Deferred income tax liabilities		**177,890**	161,996
Financial liabilities at fair value through profit or loss – non-current		**501,341**	351,086
Total non-current liabilities		**2,887,057**	3,322,934
Current liabilities			
Trade payables	*7*	**580,851**	564,437
Other payables, provision and accrued liabilities		**170,884**	199,135
Dividend payables	*9*	**265,428**	5,467
Contract liabilities		**89,671**	80,881
Financial liabilities at fair value through profit or loss – current		**–**	4,258
Tax payable		**7,634**	36,566
Bond payables – current		**577,450**	9,089
Lease liabilities – current		**193,076**	199,888
Total current liabilities		**1,884,994**	1,099,721
Total liabilities		**4,772,051**	4,422,655
Total equity and liabilities		**14,904,077**	15,566,710

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting".

The condensed consolidated interim financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2025 which has been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") and any public announcements made by the Company during the six months ended 30 June 2026.

The financial information relating to the year ended 31 December 2025 that is included in the condensed consolidated interim financial information for the six months ended 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 financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong, "**Hong Kong Companies Ordinance**") is as follows:

The Company has delivered the 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 Hong Kong Companies Ordinance (Cap. 622).

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

2 ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES AND JUDGEMENTS

2.1 Accounting policies

Except as described below, the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2025, as described in those annual financial statements.

(i) Taxes on income

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

2.1.1 New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies and make retrospective adjustments as a result of adopting these standards.

2.1.2 Impact of new standards, interpretations and amendments issued but not yet applied by the Group

The Group is still assessing what the impact of the new standards, interpretations and amendments will be in the period of initial application. It is not yet in a position to state whether these new and amended standards, improvement and interpretations will have a significant impact on the Group's results of operations and financial position.

2.2 Accounting estimates and judgements

The preparation of condensed consolidated interim financial information requires management to make judgements, 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 the condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

3 REVENUE AND SEGMENT INFORMATION

The Group has been principally engaged in infrastructure assets management business.

Revenue recognised during the periods are as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue recognised under HKFRS 15:		
Operation service income	**473,554**	475,803
Construction revenue from service concession agreement	**–**	9,902
Fund management services income	**90,177**	90,854
Others	**5,566**	–
	569,297	576,559
Revenue recognised under other accounting standards:		
Leasing income	**25,553**	25,424
Investment gains	**92,596**	129,175
Total revenue	**687,446**	731,158

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
– Over time	**539,320**	576,559
– Point in time	**29,977**	–
	569,297	576,559

Management has determined the operating segments based on the reports reviewed by the chief operating decision makers that are used to make strategic decisions and resources allocation. No operating segment identified by the chief operating decision makers has been aggregated in arriving at the reportable segments of the Group.

The revenue, profit before tax, total assets and total liabilities reported to the chief operating decision makers are measured in a manner consistent with that in the condensed consolidated interim financial information.

4 INCOME TAX EXPENSE

Hong Kong profits tax

Hong Kong profits tax is calculated at 16.5% of the assessable profit for the six months ended 30 June 2026 and 2025.

China enterprise income tax

Under the Law of the People's Republic of China (the "**PRC**") on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries in Mainland China is mainly 25% for the six months ended 30 June 2026 and 2025.

5 EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share for the period is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the period and excluding shares held for share incentive plan.

	Six months ended 30 June	
	2026	2025
	HK cents	*HK cents*
	(Unaudited)	(Unaudited)
Basic earnings per share attributable to the owners of the Company	**2.50**	4.77

(b) Diluted earnings per share

The diluted earnings per share for the period is calculated by dividing the adjusted profit attributable to the owners of the Company which have taken into account the after- tax interest and other related after-tax financing costs on potentially dilutive ordinary shares by the adjusted weighted average number of ordinary shares in issue for the period which have taken into account the additional ordinary shares that would have been outstanding assuming all potentially dilutive ordinary shares have been converted.

	Six months ended 30 June	
	2026	2025
	HK cents	*HK cents*
	(Unaudited)	(Unaudited)
Diluted earnings per share attributable to the owners of the Company	**2.50**	4.77

5 EARNINGS PER SHARE (CONTINUED)

(c) Earnings used in calculating earnings per share

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Basic and diluted earnings		
Basic and dilutive earnings attributable to the owners of the Company	**205,774**	339,026

(d) Weighted average number of shares used as the denominator

	Six months ended 30 June	
	2026	2025
	Number of shares	Number of shares
	'000	*'000*
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	**8,226,304**	7,114,104

(e) Effects of share options

Options granted to employees under the share incentive plan are considered to be potential ordinary shares. Certain outstanding share options as at 30 June 2025 are not included in the calculation of diluted earnings per share because they are anti-dilutive as at 30 June 2025. There were no outstanding share options as at 30 June 2026.

6 TRADE RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade receivables	**219,489**	136,818
Less: Provision for impairment losses	**(4,748)**	(4,748)
Trade receivables – net	**214,741**	132,070

The credit terms of trade receivables are normally 30 to 180 days as at 30 June 2026 and 31 December 2025. The following is an ageing analysis of trade receivables net of provision for impairment losses based on the invoice dates at the end of the reporting period, which were similar to the respective revenue recognition dates:

	As at 30 June 2026	As at 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 60 days	**53,702**	28,664
61-90 days	**12,817**	10,115
91-180 days	**44,495**	20,158
Over 180 days	**103,727**	73,133
	214,741	132,070

7 TRADE PAYABLES

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	As at 30 June 2026	As at 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 90 days	**88,496**	126,500
91-180 days	**51,920**	48,010
181-365 days	**102,156**	74,945
Over 365 days	**338,279**	314,982
	580,851	564,437

8 SHARE CAPITAL

	Approximate Number of Shares *'000*	Share Capital *HK$'000*
Ordinary shares issued and fully paid:		
At 1 January 2025 (Audited)	7,286,015	12,994,847
Issue of shares upon conversion of convertible bonds	872,002	1,383,213
Issue of new shares on 10 September 2025 *(Note (a))*	276,496	597,000
Share repurchase *(Note (b))*	(41,306)	–
At 31 December 2025 and 1 January 2026 (Audited)	8,393,207	14,975,060
Issue of shares upon conversion of convertible bonds	6,670	10,131
At 30 June 2026 (Unaudited)	8,399,877	14,985,191

Note:

(a) On 10 September 2025, the Company placed a total of approximately 276,496,000 ordinary shares of the Company to not less than six independent placees at a placing price of HK$2.17 per share. The net proceeds from the placing amounts to approximately HK$597,000,000. For details, please refer to the Company's announcements dated 4 September 2025 and 10 September 2025.

(b) During the year ended 31 December 2025, 103,786,000 ordinary shares of the Company were repurchased at a price ranging from HK$1.28 to HK$2.35 per share. The total amount paid for the repurchase was approximately HK$215,576,000. 41,306,000 shares repurchased (including 1,160,000 shares repurchased in December 2024) have been cancelled during the year ended 31 December 2025.

During the period ended 30 June 2026, 310,016,000 ordinary shares of the Company were repurchased at a price ranging from HK$1.53 to HK$2.19 per share. The total amount paid for the repurchase was approximately HK$546,548,000.

9 DIVIDENDS

Dividends recognised during the half-year

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Final dividend	**38,510**	120,068
Special dividend	**470,243**	761,621
	508,753	881,689

In a board resolution dated 27 March 2026, the Board has recommended a final dividend in the total amount of HK$39 million for the year ended 31 December 2025 (2024: HK$120 million) payable to shareholders whose names appear on the register of members of the Company on Thursday, 14 May 2026. Based on the 8,274,215,161 ordinary shares in issue, such a final dividend amounted to HK0.47 cents per share (2024: HK1.64 cents per ordinary share). The final dividend was paid on 29 May 2026.

In a board resolution dated 27 March 2026, the Board declared a special dividend with total amount of HK$470 million, comprising the first tranche of special dividend of HK$235 million which was paid on 29 June 2026 to shareholders whose names appear on the register of members of the Company at the close of business on 9 June 2026. The second tranche of special dividend of HK$235 million is payable on 29 December 2026 to shareholders whose names appear on the register of members of the Company at the close of business on 14 December 2026. The second tranche of special dividend has been recognised as liabilities at 30 June 2026.

Dividends not recognised at the end of the half-year

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Declared and payable after interim period	**165,261**	271,221

The Board has declared an interim dividend in the total amount of approximately HK$165 million (equivalent to HK2.07 cents per share based on the number of ordinary shares of the Company (the "**Shares**") in issue on 29 August 2026 (i.e. 7,983,601,161 Shares excluding treasury shares of the Company)) for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$271 million), which is payable to the shareholders whose names appear on the register of members of the Company on Wednesday, 30 September 2026. The interim dividend is expected to be paid on Tuesday, 17 November 2026. The interim dividend has not been recognised as liabilities as at 30 June 2026.

INTERIM DIVIDEND

The Board has declared an interim dividend in the total amount of approximately HK$165 million (equivalent to HK2.07 cents per share based on the number of ordinary shares of the Company (the "**Shares**") in issue on 29 August 2026 (i.e. 7,983,601,161 Shares excluding treasury shares of the Company)) for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$271 million), which is payable to the shareholders whose names appear on the register of members of the Company on Wednesday, 30 September 2026. The interim dividend is expected to be paid on Tuesday, 17 November 2026.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed on Wednesday, 30 September 2026 to determine the shareholders' entitlement to the interim dividend. During such period, no transfer of shares of the Company will be registered. In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Tuesday, 29 September 2026 for registration.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATION

Steady Progress in Operating Results; Significant Unrealised Gains Achieved by Managed Robot Fund

In the first half of 2026, the Group recorded a revenue of approximately HK$687 million, a profit of approximately HK$238 million, and profit attributable to owners of the Company of approximately HK$206 million. Excluding the one-off non-recurring return of approximately HK$146 million arising from the disposal of Shougang Fushan Resources Group Limited ("**Shougang Fushan**") in the same period last year, the profit attributable to owners of the Company for the current period increased by 6.7%, demonstrating steady progress in overall operational performance. The Group continued to maintain a prudent financial leverage ratio, with the Debt-Equity ratio maintaining at a relatively low level of 10.0%.

Following the official listing of Unitree Robotics*（宇樹科技）(688836.SH) on the Science and Technology Innovation Board (STAR Market), the Beijing Robot Industry Development Investment Fund (Limited Partnership)* (北京機器人產業發展投資基金（有限合夥）, "**Robot Fund**") managed by the Group recorded an unrealised gain exceeding RMB8 billion on a single project. As the shares of Unitree Robotics held by the fund remain within the lock-up period, the Group will recognize the corresponding excess returns following the expiration of the lock-up period, taking into account share reduction and other relevant circumstances.

Deepening Reform and Innovation; Phased Results Achieved across Multiple Business Areas

In the first half of 2026, the Group deepened reform and innovation, achieving effective implementation and phased results across various workstreams including industrial funds, parking business, robot technology experience stores, and organizational structure.

In terms of industrial funds, the Group remains firmly optimistic about the development prospects of China's technological innovation. In the first half of 2026, the Group focused on driving the establishment of two core funds: (1) Completed the establishment of Beijing Frontier Sci-Tech Innovation Emerging Future Industry Equity Investment Fund Center*(Limited Partnership) (北京市前沿科創新興未來產業股權投資基金中心（有限合夥）, "**Emerging Future Industry Fund**") with an initial size of RMB3.5 billion; (2) Completed the signing of agreements for a RMB10 billion special asset restructuring fund. The successive implementation of these new funds will contribute long-term, stable revenue and profit to the Group.

* *For identification purpose only*

In terms of parking business, the Group focused on operational efficiency enhancement while continuously reducing costs and increasing revenue. On one hand, the Group reached rent reduction agreements with certain upstream suppliers for the operating term; on the other hand, the Group continuously advanced value-added innovative businesses based on parking asset space. By introducing high-frequency business formats such as VIP parking zones, valet parking, car rental, EV charging, car washing, and advertising, the Group continuously enhanced space utilization efficiency. Concurrently, the Group continued to pilot AVP/VPD (Automated Valet Parking/Autonomous Valet Driving) services, seamlessly integrating parking space reservation, smart drop-off, automated parking, replenishment, and car washing-thereby improving turnover efficiency per vehicle while reducing field scrapes and congestion. It is expected that the operating profit of the parking business in 2026 will reach a historically high level.

In terms of robot technology experience store layout, Taozhu New Manufacturing Bureau* (陶朱新造局)has established 7 stores in prime commercial districts in Beijing, including Chaoyang Hopson One* (朝陽合生匯), Solana* (藍色港灣), CP Center* (正大中心), Wangfujing APM* (王府井APM), and Shougang Park* (首鋼園). It has accumulated a footfall of 400,000 visitors, conducted 228 offline events, acquired over 10,000 registered member customers, partnered with more than 60 brands, and achieved breakthroughs in To B/G sales business.

In terms of organizational structure, first, the Group strengthened synergistic linkage across business lines to facilitate internal flow and sharing of resources, information, and business opportunities, thereby promoting cross-segment collaboration. Second, explored organizational structures, processes, and decision-making mechanisms adapted to the AI era by gradually embedding AI tools into daily business processes to empower project evaluation, operations management, and other scenarios. Relying on digital tools to reduce costs and boost efficiency, the Group achieved steady improvement in overall human capital efficiency. In the first half of 2026, the Group's operating net profit attributable to owners of the Company per capita increased by 14%.

* *For identification purpose only*

KEY PERFORMANCE INDICATORS REVIEW

	For the six months ended 30 June	
	2026	2025
	HK$ million	*HK$ million*
	(Unaudited)	(Unaudited)
Revenue	**687**	731
Including: Revenue from asset operation	**504**	511
Revenue from industrial funds	**183**	220
Adjusted EBITDA*	**436**	587
Operating profit	**288**	455
Profit attributable to the owners of the Company	**206**	339

	For the six months ended 30 June	
	2026	2025
	HK cents	*HK cents*
	(Unaudited)	(Unaudited)
Basic and diluted earnings per share	**2.50**	4.77

	As at 30 June 2026	As at 31 December 2025
	HK$ million	*HK$ million*
	(Unaudited)	(Audited)
Total assets	**14,904**	15,567
Net assets	**10,132**	11,144
Asset – Liability ratio#	**32.0%**	28.4%
Debt – Equity ratio △	**10.0%**	8.8%

* *The definition and calculation of Adjusted EBITDA is set out in page 18 and 20 of this announcement.*

The definition and calculation of Asset – Liability ratio is set out in page 18 and 24 of this announcement.

△ *The definition and calculation of Debt – Equity ratio is set out in page 18 and 25 of this announcement.*

Non-HKFRSs Measures

Profit for the period plus 1) non-cash items, depreciation and amortisation; 2) income tax expenses which depend on different tax rates in different countries; 3) finance costs which depend on the Group's capital structure and are not directly attributable to the Group's core operating results; and 4) non-controlling interests, which are not directly attributable to owners of the Company is defined as the adjusted EBITDA (the "**Adjusted EBITDA**") of the Group. The Adjusted EBITDA is presented because it is used by management to evaluate operating performance. The calculation of Adjusted EBITDA is set out in page 20 of this announcement.

Total liabilities divided by total assets is defined as the Asset – Liability ratio (the "**Asset – Liability ratio**") of the Group. The Asset – Liability ratio is presented because it is used by management to evaluate the Group's debt level. The calculation of Asset – Liability ratio is set out in page 24 of this announcement.

The total debts divided by capital and reserves attributable to owners of the Company is defined as the Debt – Equity ratio (the "**Debt – Equity ratio**") of the Group. The Debt – Equity ratio is presented because it is used by management to evaluate how the Group utilizes its debts to finance the business and operations for growth. The calculation of Debt – Equity ratio is set out in page 25 of this announcement.

The Adjusted EBITDA, Asset – Liability ratio and Debt – Equity ratio are used as additional financial measures to supplement the Group's condensed consolidated interim financial information which are presented in accordance with HKFRSs.

The Group believes that the Adjusted EBITDA, Asset – Liability ratio and Debt – Equity ratio provide meaningful supplemental information regarding the Group's performance and the core operating results, enhance the overall understanding of the Group's past performance and future prospects and allows for greater visibility with respect to key metrics used by the Group's management in its financial and operational decision-making. These measures help investors of the Company and other stakeholders understand and evaluate the Group's consolidated results of operations in the same manner as management and in comparing financial results across different accounting periods.

FINANCIAL REVIEW

The six months ended 30 June 2026 compared to the six months ended 30 June 2025:

Revenue and Cost of Sales

In the first half of 2026, the Group recorded revenue of approximately HK$687 million, comprising revenue from asset management based on scenario asset operations of approximately HK$504 million and revenue from industrial fund management based on Physical AI industrial investments of approximately HK$183 million. Gross profit for the first half of 2026 was HK$295 million. Profit attributable to owners of the Company reached HK$206 million. Excluding the one-off non-recurring gain of approximately HK$146 million generated from the disposal of Shougang Resources in the same period last year, profit attributable to owners of the Company for the current period increased by 6.7% compared to HK$193 million in the same period last year.

Finance costs

During the first half of 2026, finance costs of the Group amounted to approximately HK$51 million, representing a decrease of approximately 15.8% compared to the first half of 2025. The finance costs are mainly attributable to the interests on lease liabilities derived from the adoption of HKFRS 16 Leases and the interest on the bond payables.

Taxation

Provision for taxation amounting to approximately HK$35 million was made for the first half of 2026, while provision for taxation of approximately HK$49 million was made for the six months ended 30 June 2025.

Income tax expenses mainly include the enterprise income tax calculated at a tax rate of 25% for the Group's major PRC subsidiaries incorporated in Mainland China.

Adjusted EBITDA

During the first half of 2026, the Adjusted EBITDA of the Group amounted to approximately HK$436 million, as compared to approximately HK$587 million for the six months ended 30 June 2025.

The following table reconciles the Group's profit before income tax to Adjusted EBITDA for the periods presented:

	For the six months ended 30 June	
	2026	2025
	HK$ million	*HK$ million*
	(Unaudited)	(Unaudited)
Profit before income tax	**238**	391
1. Non – controlling interests	**(6)**	(10)
2. Finance costs	**51**	61
3. Depreciation of property, plant and equipment	**17**	14
4. Depreciation of right-of-use assets	**119**	115
5. Amortisation of other non-current assets	**17**	16
Adjusted EBITDA	**436**	587

COMPANY OVERVIEW

The Group is committed to becoming "China's leading physical AI industrial investment and scenario ecosystem operation platform". Currently, a new wave of artificial intelligence technology is accelerating beyond screens and the cloud into roads, industrial parks, hospitals, commercial spaces, and urban infrastructure. The rapid evolution of industries such as robotics, embodied AI, smart hardware, autonomous driving, and AI infrastructure is reshaping the functional value of physical assets, the operational modes of urban services, and the commercialization pathways of tech products.

In response to this trend, the Group intends to re-examine and reposition its existing assets, scenarios, and capital capabilities within the evolution of the physical AI industry. The Group actively explores and promotes the integration of physical AI into real scenarios and real user bases to obtain real feedback. The Group is dedicated to transforming stable assets into future-oriented scenario foundations, turning industrial insights into growth equity, converting scenario resources into commercialized services, and translating exit realizations into capital sources for the next cycle of growth-thereby forming a strategic structure characterized by "stable returns from infrastructure, growth expansion via industrial investment, conversion enhancement through scenario ecosystem, and efficiency boost through capital recycling".

Repositioning and Synergizing Business Segments to Jointly Build a Physical AI Industrial Investment and Scenario Ecosystem Operation Platform

Each business segment assumes specific functions including operational support, asset organization, growth acquisition, commercial conversion, and capital efficiency enhancement, collectively constituting the operating system of the physical AI industrial investment and scenario ecosystem operation platform, and holding responsibility for revenue, profit, cash collection, capital occupancy, and capability building.

The infrastructure assets business grounded in the existing asset base and centered around being "controllable, transformable, operable, or replicable for output", this segment continuously iterates business capabilities and acquires premium assets, striving to transform into a future-oriented physical AI scenario operator with parking lots, industrial parks (including rental housing), and their connected transportation and urban service spaces as carriers.

The industrial investment business will construct a comprehensive industry map, establish a standardized project evaluation system, and connect with high-quality enterprise resources in the physical AI industry. By acquiring growth-oriented equity through industrial investments, it boosts equity value appreciation of investee companies, realizes project gains and exit recycling, and secures cash returns as well as long-term capital gains, aiming to rank among the top tier in physical AI industrial investment.

The technology ecosystem business assumes functions including product admission rating, user validation, channel transactions, scenario organization, and monetization data accumulation. It empowers tech products to achieve commercialized conversion, striving to serve as an accelerator connecting physical AI with real-world scenarios and real users.

Next Steps: Orderly Advancing Physical AI Scenario Applications Following the Principle of "Solidifying the Foundation First, Building Capabilities Second; Validating First, Scaling Up Second"

In terms of infrastructure assets business, first, consolidate the operational quality of existing assets to optimize cash flow performance; Second, review parking and related asset scenarios, focus on operational efficiency and value creation, establish a physical AI "Transformation, Operation, Expansion" task list for parking assets, and select high-value demonstration nodes around scenarios such as traffic guidance, automated parking, charging/replenishment, Robotaxi, and unmanned logistics for "transformation + operation" validation; Third, sort through assets in industrial parks (including rental housing), partner resources, and new infrastructure reserves such as AIDC (AI Data Centers) to advance physical AI scenario pilots where conditions are mature; Fourth, Gradually build full-chain capabilities in "Transformation – Operation – Expansion", constructing a product system that expands from points to planes and from pilots to replication.

In terms of industrial investment business, it will deepen research into physical AI and cutting-edge hard-tech industries. For high-potential track beta (β) opportunities, deploy venture capital into premium enterprises possessing technological barriers and growth potential at both the R&D and sales ends of the industry chain, capturing track gains through portfolio and staged investments. For mature alpha (α) scaling opportunities, focus on intermediate links such as production, manufacturing, service, and operations within the industry chain, selecting enterprises with validated customer, revenue, and cash flow performance to amplify highly certain industrial growth returns or incubate a second growth curve through key allocation or follow-on investment, generating cash returns, operational increments, and long-term capital gains.

In terms of technology ecosystem business, it focus on solving the challenges of transforming technical prototypes into commercial products and single-point trials into scaled services, constructing a "3+1" technology ecosystem platform: First, integrate full-domain online matrices to strengthen product promotion, sales, and user demand insights; Second, rely on Taozhu New Manufacturing Bureau*（陶朱新造局）To C offline stores to conduct terminal sales, brand showcases, and thematic events; Third, expand ToG/ToB government and corporate business to implement scenario pilots, solution delivery, and operational services; Fourth, establish the Fun & Curiosity Lab*（奇趣實驗室）crowdfunding first-launch platform to provide display, validation, and conversion channels for compliant products, bridging the complete link of "Project incubation – Product debut – Market validation – Commercial conversion".

* *For identification purpose only*

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's activities expose it to a variety of financial risks, including market risk (comprising currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Company manages its financial risks in accordance with guidelines laid down by its board of directors. The Group identifies and evaluates financial risks in close co-operation among its entities to manage overall risk management, as well as market risk (comprising currency risk, interest rate risk and price risk), credit risk and liquidity risk.

Currency risk

As the Group conducts its businesses mainly in Hong Kong and China, it is subject to the foreign exchange fluctuation risks arising from HK dollars, US dollars and Renminbi. To minimise currency exposure, foreign currency assets are generally financed in the same currency as the corresponding asset or cash flow from it through borrowings.

Interest rate risk

The Group holds interest bearing assets and liabilities including cash at banks and bond payables. The Group is mainly exposed to cash flow interest rate risk in relation to variable-rate bank balances.

CAPITAL STRUCTURE

The capital structure of the Group consists of bond payables and equity attributable to owners of the Company, comprising issued share capital and reserves.

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising shareholders' returns through optimizing the balance between debt and equity. The Group's overall strategy remains unchanged from the prior year.

The Board reviews the capital structure on a semi-annual basis. Based on recommendations of the Board, the Group will balance its overall capital structure through the payment of dividends, new share issues, share buybacks as well as the issuance of new debts or the redemption of existing debts.

LIQUIDITY AND FINANCIAL RESOURCES

The Group aims to diversify its funding sources through utilisation of both banking and capital markets. To the extent possible, financing is arranged to match business characteristics and cash flows.

The assets with high liquidity and financing resources of the Group as at 30 June 2026 compared to 31 December 2025 are summarised below:

1. Assets with high liquidity

	As at 30 June 2026 ***HK$ million*** **(Unaudited)**	As at 31 December 2025 *HK$ million* (Audited)
Bank balances and cash	**3,522**	3,671
Fixed income financial assets	**2,564**	4,163

2. Asset – Liability ratio

As at 30 June 2026, the Asset – Liability ratio of the Group was approximately 32.0%, representing an increase of absolute value of approximately 3.6% as compared to 31 December 2025.

The following table shows the Group's total liabilities and total assets for the periods presented:

	As at 30 June 2026 ***HK$ million*** **(Unaudited)**	As at 31 December 2025 *HK$ million* (Audited)
Total liabilities	**4,772**	4,423
Total assets	**14,904**	15,567
Asset – Liability ratio	**32.0%**	28.4%

3. Debt – Equity ratio

In the six months ended 30 June 2026, the Debt – Equity ratio of the Group is approximately 10.0%, representing an increase of absolute value of approximately 1.2% as compared to 31 December 2025.

The following table shows the Group's total bond payables and capital and reserves attributable to owners of the Company for the periods presented:

	As at 30 June 2026 ***HK$ million*** **(Unaudited)**	As at 31 December 2025 *HK$ million* (Audited)
Total Bond payables – non-current and current *(Note (a), (b) & (c))*	**1,005**	979
Capital and reserves attributable to owners of the Company	**10,066**	11,074
Debt – Equity Ratio	**10.0%**	8.8%

Note (a) **3 year medium-term notes**

In May 2024, the Company issued 3-year medium-term notes with an issuance scale of RMB500 million at a coupon rate of 2.5%. As at 30 June 2026, the balance of the 3 year medium-term notes was HK$577 million.

Note (b) **Parking asset quasi-REITs structured asset securitization product ("Quasi-REITs Structured Asset Securitisation Product")**

As at 30 June 2026, the balance of the Quasi-REITs Structured Asset Securitisation Product issued by the Company's wholly-owned subsidiary E Park Investment Management Co., Ltd.* (驛停車(北京)投資管理有限公司) was HK$428 million.

Note (c) **Convertible bonds**

On 9 July 2025, the Company issued convertible bonds due 2026 with an issuance scale of US$180 million at a coupon rate of 0.75% (the "**Bonds**"). On 10 February 2026, all outstanding Bonds have been fully converted in accordance with the terms and conditions of the Bonds. As at 30 June 2026, there were no outstanding Bonds in issue (As at 31 December 2025: approximately HK$9 million).

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SIGNIFICANT INVESTMENT HELD

Save as disclosed below, there were no other significant investments held by the Group during the period.

Name of entity	Investment cost	Proportion and unit of issued shares subscription fund units held by the Group		Fair value	Proportion of fair value to the total assets to the Group	Unrealised fair value losses	Dividends received
		As at 30 June 2026				Six months ended 30 June 2026	
CICC GLP Warehousing and Logistics Closed Infrastructure Securities Investment Fund* (the "**CICC GLP REIT fund**") *(Note (a))*	RMB 583,500,000	150,000,000	7.74%	RMB 355,500,000	2.75%	RMB (129,900,000)	RMB 11,934,000
		As at 31 December 2025				For the year ended 31 December 2025	
CICC GLP REIT fund *(Note (a))*	RMB 583,500,000	150,000,000	7.74%	RMB 485,400,000	3.47%	RMB (14,850,000)	RMB 26,493,000

Looking forward, the Board believes that the strategic investments will strive to generate stable returns to the Group.

Note (a) CICC GLP REIT fund

The CICC GLP REIT fund is an infrastructure fund established in the PRC which mainly invests in projects of which warehousing and logistics infrastructure projects are the final investment targets. Its fund manager is CICC Fund Management Co., Ltd.*（中金基金管理有限公司）and its fund units are listed on the Shanghai Stock Exchange.

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MATERIAL ACQUISITIONS & DISPOSALS

There were no material acquisitions or disposals by the Group during the period.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

There were no material events occurring after the reporting period required to be disclosed during the period.

USE OF PROCEEDS

1. On 9 July 2025, the Company entered into a conditional subscription agreement (the "**US$180 million Convertible Bonds Subscription**") with Haitong International Securities Company Limited, Huatai Financial Holdings (Hong Kong) Limited, DBS Bank Ltd., Guotai Junan Securities (Hong Kong) Limited and the Hongkong and Shanghai Banking Corporation Limited (the "**Managers**"). Pursuant to the terms and conditions of the US$180 million Convertible Bonds Subscription, the Managers agreed to subscribe and pay, or procure subscribers to subscribe and pay for, the 0.75% convertible bonds due 2026 in the principal amount of US$180 million (the "**Convertible Bonds**") to be issued by the Company. All the conditions precedent under the USD180 million Convertible Bonds Subscription had been fulfilled and completion of the issuance of the Convertible Bonds took place on 9 July 2025. The Convertible Bonds were listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 10 July 2025, in the aggregate principal amount of US$180 million (equivalent to approximately HK$1,401 million), with net proceeds of approximately US$178 million (equivalent to approximately HK$1,387 million).

   As at 30 June 2026, the Group applied the proceeds of the US$180 million Convertible Bonds Subscription in the following manner:

Intended use of net proceeds	Amount of net proceeds raised *HK$ million*	Amount of unutilized net proceeds as at 1 January 2026 *HK$ million*	Amount of utilized net proceeds for the six months ended 30 June 2026 *HK$ million*	Amount of unutilized net proceeds as at 30 June 2026 *HK$ million*	Expected timeline for the use of the unutilised net proceeds[#]
Invest in certain key assets and for general corporate purposes	1,387	988	988	–	Not applicable
Total	1,387	988	988	–	

[#] *The full amount of the net proceeds of the US$180 million Convertible Bonds Subscription has been applied in accordance with the indicative timetable set forth above.*

2. On 4 September 2025, the Company entered into a placing agreement with Guotai Junan Securities (Hong Kong) Limited to procure placees to purchase a total of 276,496,000 placing shares at a placing price of HK$2.17 per placing share. On 10 September 2025, the Company completed the placing and the subscription of 276,496,000 placing shares to not less than six independent placees (the "**Placing and Subscription**") with net proceeds of approximately HK$597 million.

   As at 30 June 2026, the Group applied the proceeds of the Placing and Subscription in the following manner:

Intended use of net proceeds	Amount of net proceeds raised *HK$ million*	Amount of unutilized net proceeds as at 1 January 2026 *HK$ million*	Amount of utilized net proceeds for the six months ended 30 June 2026 *HK$ million*	Amount of unutilized net proceeds as at 30 June 2026 *HK$ million*	Expected timeline for the use of the unutilised net proceeds#
Roll-out of technology experience stores and expansion of new business lines in asset operation	418	407	32	375	On or before 31 December 2027
General corporate working capital purposes, including payment of administrative expenses, business expansion expenditures, repayment of maturing debts, etc.	179	179	108	71	On or before 31 December 2027
Total	597	586	140	446	

The Company intends to apply the remaining net proceeds raised in accordance with the indicative timetable set forth above and in the manner disclosed in the Company's announcement on 4 September 2025.

EMPLOYEES RELATIONSHIP

The Group had a total of 390 employees as at 30 June 2026. All subsidiaries of the Company promote equal employment opportunities. The Group strictly complies with regulations of state and local governments and adopts a fair, just, and open recruitment process in order to provide employees with an equal, diverse and discrimination-free working environment. In the process of recruitment, training and promotion, the Group provides equal treatment to all candidates to safeguard employees' rights and interests.

The Group's remuneration policy is designed to ensure that employees receive a fair and competitive overall remuneration package. Based on the principle of "competitive externally, fair internally", the Group has established a remuneration incentive mechanism with "fixed salary as basis and performance linked remuneration as main component" taking into account factors such as position value, capability, and contribution to performance, with the aim of motivating and retaining employees. By making full use of a variety of long term and short term incentives, the Group seeks to attract and retain talented employees to achieve its strategic goals.

Remuneration packages are designed based on the employment practices of the jurisdictions in which the Group operates.

Remuneration package for Hong Kong employees includes salary, discretionary bonus, project bonus, medical allowance, hospital insurance and a share incentive plan to subscribe for the Company's ordinary shares. All Hong Kong subsidiaries of the Company provide a retirement fund scheme for Hong Kong employees as part of employee welfare.

Remuneration package for Mainland China employees includes salary, discretionary bonus, project bonus, medical allowance and a share incentive plan to subscribe to the Company's ordinary shares as part of employee welfare. In order to comprehensively meet the needs of employees, the Group also provides social insurance welfare (i.e. pension insurance, medical insurance, unemployment insurance, work injury insurance, maternity insurance and housing provident fund) as well as annual medical examinations for all employees according to state regulations.

In addition, to strengthen employees' sense of belonging, the Group arranges a variety of recreational activities for all employees to enhance team cohesion, and a town hall meeting to commend excellent individual and team performances.

PROSPECTS

Looking ahead, with the deepening implementation of the strategic structure of "Stable returns from infrastructure, Growth expansion via industrial investment, Conversion enhancement through scenario ecosystem, and Efficiency boost through capital recycling", the Group is expected to continuously reap development dividends from the evolution of the physical AI industry.

Relying on existing infrastructure assets to consolidate a stable earnings foundation, and by leveraging physical AI scenario transformation, operation, and expansion, the release of industrial investment gains, and the commercial conversion of the tech ecosystem, the Group aims to broaden revenue sources. Operating income and capital gains are expected to complement each other, driving continuous optimization of the Group's profit structure and sustainable performance growth.

The Group will continuously refine its capital recycling mechanism, steadily advance project investments and exits, and remain committed to creating sustainable cash returns and long-term capital appreciation for investors. Meanwhile, the Group will open up its proprietary scenarios, assets, and ecosystem platforms to deepen collaboration with industry chain enterprises, original asset owners, and various partners, jointly constructing a physical AI industrial ecosystem and achieving multi-party win-win value.

Along with the layout of physical AI-related businesses, the Group will further enhance its talent development system, cultivate professional capabilities in industrial investment, scenario operation, and technology ecosystem, and provide employees with a career platform to grow alongside emerging industries, gathering team synergies to support strategic execution.

The Group will strictly adhere to the resource allocation discipline of "Solidifying the foundation first, building capabilities second; Validating first, scaling up second; Recycling first, reinvesting second". The Group will continuously drive the transformation of infrastructure assets into physical AI scenario foundations; execute layered investments in physical AI and cutting-edge hard technologies; and iteratively refine the technology ecosystem platform to bridge the entire commercialization chain of tech products—striving to become China's leading physical AI industrial investment and scenario ecosystem operation platform.

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

During the six months ended 30 June 2026, the Company bought back a total of 310,016,000 Shares through a wholly-owned subsidiary on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") at an aggregate consideration of HK$546,548,087.92. All such bought-back Shares were held as treasury shares.

Particulars of the Shares bought back during the period are set out below:

Month	Number of Shares bought back	Price paid per Share Highest *(HK$)*	Price paid per Share Lowest *(HK$)*	Aggregate Consideration *(HK$)*
January 2026	37,232,000	2.19	2.03	78,095,844.48
February 2026	24,790,000	2.10	1.94	50,053,685.90
March 2026	28,084,000	1.70	1.60	46,381,966.93
April 2026	52,568,000	1.72	1.62	87,613,741.38
May 2026	29,342,000	1.82	1.57	50,652,495.22
June 2026	138,000,000	1.81	1.53	233,750,354.01
Total	310,016,000			546,548,087.92

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (whether on the Stock Exchange or otherwise) during the six months ended 30 June 2026.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange during the six months ended 30 June 2026.

APPRECIATION

Sincere gratitude is extended to all shareholders and potential investors for their trust and support, with special appreciation to strategic shareholders including Shougang Group Co., Ltd., ORIX Corporation, CTF Services Limited, and Sunshine Insurance Group Company Limited for their strong support. With the mission of empowering urban development with technology and serving a better life, the Group will efficiently connect capital, physical AI technology, infrastructure scenarios, and industrial commercialization. The Group will bring more mature tech products into cities, serve public life with more efficient operational models, and continuously reinvigorate infrastructure value through technological progress. The Group will support the growth of outstanding enterprises through industrial investment, accelerate product maturity through real-world scenarios, drive commercial conversion through ecosystem operations, and enhance resource allocation efficiency through capital recycling – thereby creating corporate value while elevating urban operational efficiency, public service quality, and people's living experience, turning "China's leading physical AI industrial investment and scenario ecosystem operation platform" from a strategic vision into a clear, tangible, and continuously growing reality.

By order of the Board
Shoucheng Holdings Limited
Zhao Tianyang
Chairman

Hong Kong, 29 August 2026

As at the date of this announcement, the Board comprises Mr. Zhao Tianyang (Chairman), Mr. Li Hao, Mr. Xu Huajie and Mr. Liu Jingwei as Executive Directors; Mr. Yoshiaki Matsuoka, Mr. Peng Jihai and Mr. Ho Gilbert Chi Hang as Non-executive Directors; Dr. Wang Xin, Ms. Zhang Quanling, Ms. Zhuge Wenjing, Dr. Zhang Jianwei, Ms. Tse, Theresa Y Y and Ms. Li Tiantian as Independent Non-executive Directors.