大生地產發展有限公司

TAI SANG LAND DEVELOPMENT LIMITED

(Stock code: 89)

2026 INTERIM REPORT

Contents

Corporate Information

Executive Directors

William Ma Ching Wai
(Chairman and Chief Executive)
Patrick Ma Ching Hang, BBS, JP
(Deputy Chairman)
Philip Ma Ching Yeung, BBS
(Deputy Chairman)
Alfred Ma Ching Kuen *(Managing Director)*
Amy Ma Ching Sau *(Managing Director)*

Non-executive Director

Edward Cheung Wing Yui, BBS

Independent Non-executive Directors

Kevin Chau Kwok Fun
Yiu Kei Chung
Aaron Tan Leng Cheng
Ho Chi Keung

Audit Committee

Yiu Kei Chung *(Committee Chairman)*
Edward Cheung Wing Yui, BBS
Kevin Chau Kwok Fun
Aaron Tan Leng Cheng
Ho Chi Keung

Remuneration Committee

Kevin Chau Kwok Fun
(Committee Chairman)
Amy Ma Ching Sau
Yiu Kei Chung
Ho Chi Keung

Nomination Committee

William Ma Ching Wai
(Committee Chairman)
Amy Ma Ching Sau
Kevin Chau Kwok Fun
Yiu Kei Chung
Aaron Tan Leng Cheng

Company Secretary

Katy Ma Ching Man

Bankers

The Bank of East Asia, Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Tai Sang Bank Limited

Solicitors

Woo, Kwan, Lee & Lo

Auditor

PricewaterhouseCoopers
Certified Public Accountant and Registered Public Interest Entity Auditor

Registered Office

15th Floor, TS Tower,
43 Heung Yip Road,
Wong Chuk Hang, Hong Kong

Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East, Hong Kong

Website Address

www.tsld.com
www.irasia.com/listco/hk/taisangland/index.htm

Condensed Consolidated Statement of Financial Position

As at 30th June 2026 – Unaudited

	Notes	**As at 30th June 2026** *HK$'000*	As at 31st December 2025 *HK$'000*
Non-current assets			
Property, plant and equipment	6	**1,891,907**	1,911,401
Investment properties	6	**9,150,720**	9,078,946
Financial assets at fair value through other comprehensive income		**19,474**	18,376
Derivative financial instruments	11	**143**	–
Prepayments for non-current assets		**1,109**	554
		11,063,353	11,009,277
Current assets			
Properties for sale		**110,473**	110,473
Other inventories		**238**	262
Debtors and prepayments	7	**32,460**	32,936
Current income tax recoverable		**175**	296
Cash and cash equivalents		**150,231**	119,496
		293,577	263,463
Total assets		**11,356,930**	11,272,740
Equity and liabilities			
Equity attributable to the owners of the Company			
Share capital	8	**417,321**	417,321
Reserves		**7,599,050**	7,564,510
		8,016,371	7,981,831
Non-controlling interests		**282,964**	274,454
Total equity		**8,299,335**	8,256,285

Condensed Consolidated Statement of Financial Position *(Continued)*

As at 30th June 2026 – Unaudited

	Notes	**As at 30th June 2026** ***HK$'000***	As at 31st December 2025 *HK$'000*
Non-current liabilities			
Long term bank loans	9	**2,345,891**	669,769
Deferred income tax liabilities	10	**228,281**	229,411
Derivative financial instruments	11	**–**	3,217
Lease liabilities		**736**	663
		2,574,908	903,060
Current liabilities			
Rental and other deposits		**94,661**	94,582
Creditors and accruals	12	**25,247**	38,149
Current income tax liabilities		**6,363**	2,765
Short term bank loans	13	**187,000**	123,000
Current portion of long term bank loans	9	**169,140**	1,854,666
Lease liabilities		**276**	233
		482,687	2,113,395
Total liabilities		**3,057,595**	3,016,455
Total equity and liabilities		**11,356,930**	11,272,740

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30th June 2026 – Unaudited

	Notes	For the six months ended 30th June **2026** *HK$'000*	2025 *HK$'000*
Revenues	5(a)	**229,303**	234,971
Cost of sales	14	**(88,738)**	(84,229)
Gross profit		**140,565**	150,742
Fair value gains/(losses) on investment properties	6	**53,866**	(198,561)
Other gains/(losses), net	15	**7,897**	(3,357)
Administrative expenses	14	**(89,921)**	(92,083)
Operating profit/(loss)		**112,407**	(143,259)
Finance income	16	**709**	1,118
Finance costs	16	**(52,609)**	(61,143)
Finance costs, net		**(51,900)**	(60,025)
Profit/(loss) before income tax		**60,507**	(203,284)
Income tax expense	17	**(2,104)**	(1,247)
Profit/(loss) for the period		**58,403**	(204,531)
Profit/(loss) attributable to:			
Owners of the Company		**48,323**	(202,062)
Non-controlling interests		**10,080**	(2,469)
		58,403	(204,531)
Profit/(loss) per share (basic and diluted)	18	**HK$0.17**	HK$(0.70)

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30th June 2026 – Unaudited

	For the six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Profit/(loss) for the period	**58,403**	(204,531)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Changes in fair value of financial assets at fair value through other comprehensive income	**1,098**	(646)
Other comprehensive income for the period	**1,098**	(646)
Total comprehensive income for the period	**59,501**	(205,177)
Total comprehensive income attributable to:		
Owners of the Company	**48,923**	(202,394)
Non-controlling interests	**10,578**	(2,783)
	59,501	(205,177)

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30th June 2026 – Unaudited

	For the six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Operating activities		
Net cash generated from operations	**65,853**	77,029
Hong Kong Profits Tax paid	**(72)**	(603)
Hong Kong Profits Tax refund	**598**	43
United States taxation paid	**(39)**	(18)
Letting fees paid	**(3,756)**	(617)
Net cash generated from operating activities	**62,584**	75,834
Investing activities		
Interest received	**709**	1,118
Dividends received	**657**	652
Additions of property, plant and equipment	**(5,859)**	(1,496)
Additions of investment properties	**(16,067)**	(141)
Proceeds on disposal of property, plant and equipment	**4,966**	162
Net cash (used in)/generated from investing activities	**(15,594)**	295
Financing activities		
Interest paid	**(56,080)**	(65,687)
Drawn down of bank loans	**1,880,787**	472,256
Repayments of bank loans	**(1,824,368)**	(443,435)
Repayments to lease liabilities	**(143)**	(142)
Dividends paid to shareholders	**(14,383)**	(14,383)
Dividends paid to non-controlling shareholders of subsidiaries	**(2,068)**	(1,664)
Net cash used in financing activities	**(16,255)**	(53,055)
Net increase in cash and cash equivalents	**30,735**	23,074
Cash and cash equivalents at 1st January	**119,496**	123,438
Cash and cash equivalents at 30th June	**150,231**	146,512

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30th June 2026 – Unaudited

	Attributable to owners of the Company							
	Share capital *HK$'000*	Property revaluation reserve *HK$'000*	Investment revaluation reserve *HK$'000*	Exchange reserve *HK$'000*	Retained profits *HK$'000*	Total reserves *HK$'000*	Non-controlling interests *HK$'000*	Total *HK$'000*
At 1st January 2026	**417,321**	**793,420**	**(29,303)**	**7,182**	**6,793,211**	**7,564,510**	**274,454**	**8,256,285**
Profit for the period	**–**	**–**	**–**	**–**	**48,323**	**48,323**	**10,080**	**58,403**
Other comprehensive income								
Changes in fair value of financial assets at fair value through other comprehensive income	**–**	**–**	**600**	**–**	**–**	**600**	**498**	**1,098**
Total comprehensive income for the period	**–**	**–**	**600**	**–**	**48,323**	**48,923**	**10,578**	**59,501**
Transaction with owners								
Dividends paid	**–**	**–**	**–**	**–**	**(14,383)**	**(14,383)**	**(2,068)**	**(16,451)**
At 30th June 2026	**417,321**	**793,420**	**(28,703)**	**7,182**	**6,827,151**	**7,599,050**	**282,964**	**8,299,335**
At 1st January 2025	417,321	793,420	(29,847)	7,165	7,073,831	7,844,569	279,356	8,541,246
Loss for the period	–	–	–	–	(202,062)	(202,062)	(2,469)	(204,531)
Other comprehensive income								
Changes in fair value of financial assets at fair value through other comprehensive income	–	–	(332)	–	–	(332)	(314)	(646)
Total comprehensive income for the period	–	–	(332)	–	(202,062)	(202,394)	(2,783)	(205,177)
Transaction with owners								
Dividends paid	–	–	–	–	(14,383)	(14,383)	(1,664)	(16,047)
At 30th June 2025	417,321	793,420	(30,179)	7,165	6,857,386	7,627,792	274,909	8,320,022

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

Notes to the Condensed Consolidated Interim Financial Information

1 General information

Tai Sang Land Development Limited (the "Company") and its subsidiaries (collectively the "Group") are principally engaged in property investment, property rental, property development, estate management and agency, hotel operation and catering operation. The address of its registered office is 15th Floor, TS Tower, 43 Heung Yip Road, Wong Chuk Hang, Hong Kong.

The Company is a limited liability company incorporated in Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

This unaudited condensed consolidated interim financial information of the Group for the six months ended 30th June 2026 (the "Condensed Consolidated Interim Financial Information") was approved by the board of directors on 24th August 2026. The Condensed Consolidated Interim Financial Information is presented in Hong Kong dollar ("HK$"), unless otherwise stated.

The financial information relating to the year ended 31st December 2025 that is included in the Condensed Consolidated Interim Financial Information 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 Hong Kong Companies Ordinance (Cap. 622) is as follows:

– The Company has delivered the financial statements for the year ended 31st 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 407(3) of the Hong Kong Companies Ordinance (Cap. 622).

2 Summary of accounting policies

2.1 Basis of preparation

This Condensed Consolidated Interim Financial Information has been prepared under the historical cost convention, except for investment properties, financial assets at fair value through other comprehensive income and derivative financial instruments which are measured at fair value, and in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants.

The Group had net current liabilities of HK$189,110,000 as at 30th June 2026 (at 31st December 2025: HK$1,849,932,000). The current liabilities mainly included short term bank loans of HK$187,000,000 (at 31st December 2025: HK$123,000,000) and current portion of long term bank loans of HK$169,140,000 (at 31st December 2025: HK$1,854,666,000). Based on the Group’s history of generating cash from operations, history of successfully refinancing bank loans, its available banking facilities and its assets backing, the directors consider that the Group is able to obtain sufficient financial resources to enable its operation, meet its working capital requirements and settle liabilities as and when they fall due. The Group intends to refinance the facilities that will mature within one year. Subsequent to 30th June 2026, the Group has renewed a long term loan facility with the aggregate principal of US$13 million (equivalent to HK$101.4 million) which will expire within one year, to be matured in July 2028. The directors believe that the Group will continue as a going concern and consequently have prepared the Condensed Consolidated Interim Financial Information on a going concern basis.

2 Summary of accounting policies *(Continued)*

2.1 Basis of preparation *(Continued)*

Except as described below, the accounting policies and methods of computation used in the preparation of the Condensed Consolidated Interim Financial Information are consistent with those used in the annual report for the year ended 31st December 2025 (the "2025 Annual Report"). The Condensed Consolidated Interim Financial Information should be read in conjunction with the 2025 Annual Report and any public announcement made by the Group during the interim reporting period.

2.2 Changes in accounting policy and disclosures

The following amended standards are relevant and mandatory to the Group for the accounting period beginning on 1st January 2026:

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

The adoption of these amended standards did not result in a substantial impact to the results and financial position of the Group.

3 Financial risk management

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks, including foreign exchange risk, credit risk, liquidity risk, interest rate risk and price risk.

The Condensed Consolidated Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and for those information should be read in conjunction with the 2025 Annual Report.

There have been no material changes in any risk management policy since last year end.

(b) Fair value estimation

Financial instruments that are measured in the condensed consolidated statement of financial position at fair value required disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

3 Financial risk management *(Continued)*

(b) Fair value estimation *(Continued)*

The following table presents the Group's financial assets and liabilities that are measured at fair value as at 30th June 2026 and 31st December 2025.

	Level 1	Level 2	Level 3
	HK$'000	*HK$'000*	*HK$'000*
At 30th June 2026			
Assets			
Financial assets at fair value through other comprehensive income	**19,474**	**–**	**–**
Derivative financial instruments – interest rate swap contract (note 11)	**–**	**143**	**–**
	19,474	**143**	**–**
At 31st December 2025			
Assets			
Financial assets at fair value through other comprehensive income	18,376	–	–
Liability			
Derivative financial instruments – interest rate swap contract (note 11)	–	3,217	–

For the six months ended 30th June 2026, there were no transfers of financial assets and liability of the Group between different levels of the fair value hierarchy (2025: Nil).

The fair values of derivative financial instruments in level 2 that are not traded in an active market are determined by discounting the contractual future cash flows. The discount rate used is derived from the relevant swap curve as at the reporting date.

4 Critical accounting estimates and judgments

Estimates and judgments used in preparing the Condensed Consolidated Interim Financial Information are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Compared to the 2025 Annual Report, there were no material changes in the estimates and assumptions applied in the preparation of the Condensed Consolidated Interim Financial Information.

5 Revenues and segment information

(a) Revenues recognised during the period are as follows:

	For the six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Revenues from external customers		
Property rental		
– investment properties	**146,963**	158,229
– properties for sale	**13,563**	13,257
Property related services (note (i))	**14,389**	14,653
Hotel operations (note (i))	**44,342**	39,799
Catering operations (note (ii))	**10,046**	9,033
	229,303	234,971

Notes:

(i) The Group's revenues from property related services and hotel operations are recognised over-time as the services are performed.

(ii) The Group's revenue from catering operations is recognised at a point in time.

5 Revenues and segment information *(Continued)*

(b) Operating lease arrangement

The Group leases out investment properties and properties for sale under lease terms generally in the range of one to ten years.

At 30th June 2026, the future aggregate minimum lease payments receivables under non-cancellable operating leases are as follows:

	As at 30th June 2026 ***HK$'000***	As at 31st December 2025 *HK$'000*
Within 1 year	**259,438**	276,235
Between 1 and 2 years	**115,141**	173,060
Between 2 and 3 years	**36,657**	43,389
Between 3 and 4 years	**24,953**	17,015
Between 4 and 5 years	**18,676**	10,524
After 5 years	**24,712**	9,062
	479,577	529,285

(c) The chief operating decision-maker ("CODM") has been identified as the executive directors of the Company. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The CODM considers the business from a geographic perspective and has identified the operating segments of the Group as Hong Kong and the United States ("US").

The CODM assesses the performance of the operating segments based on their underlying profit/(loss), which is measured by profit/(loss) after income tax excluding fair value changes on investment properties (net of deferred income tax in the US), and their segment assets and segment liabilities which are measured in a manner consistent with that in the Condensed Consolidated Interim Financial Information.

There are no sales between the operating segments.

5 Revenues and segment information *(Continued)*

(d) Operating segments

	Hong Kong *HK$'000*	US *HK$'000*	Total *HK$'000*
For the six months ended 30th June 2026			
Segment revenues			
Property rental	**137,006**	**23,520**	**160,526**
Property related services	**14,389**	**–**	**14,389**
Hotel operations	**44,342**	**–**	**44,342**
Catering operations	**10,046**	**–**	**10,046**
Total segment revenues	**205,783**	**23,520**	**229,303**
Segment results – underlying profit/(loss)			
– Property rental and related services	**1,918**	**56**	**1,974**
– Hotel and catering operations	**(332)**	**–**	**(332)**
Fair value gains/(losses) on investment properties	**69,105**	**(15,239)**	**53,866**
Deferred income tax, net	**–**	**2,895**	**2,895**
Profit/(loss) for the period	**70,691**	**(12,288)**	**58,403**
Included in segment results:			
Finance income	**693**	**16**	**709**
Finance costs	**(50,162)**	**(2,447)**	**(52,609)**
Income tax expense (note)	**(4,960)**	**(39)**	**(4,999)**
Depreciation	**(21,219)**	**(436)**	**(21,655)**
Employee benefit expenses	**(39,542)**	**(1,990)**	**(41,532)**
Capital expenditure	**9,252**	**9,630**	**18,882**

5 Revenues and segment information *(Continued)*

(d) Operating segments *(Continued)*

	Hong Kong *HK$'000*	US *HK$'000*	Total *HK$'000*
At 30th June 2026			
Property, plant and equipment	**1,887,588**	**4,319**	**1,891,907**
Investment properties	**8,693,060**	**457,660**	**9,150,720**
Prepayments for non-current assets	**1,109**	**–**	**1,109**
Non-current assets (excluding financial assets at fair value through other comprehensive income)	**10,581,757**	**461,979**	**11,043,736**
Non-current financial assets at fair value through other comprehensive income	**19,474**	**–**	**19,474**
Derivative financial instruments	**143**	**–**	**143**
Current assets	**270,953**	**22,624**	**293,577**
Segment assets	**10,872,327**	**484,603**	**11,356,930**
Current liabilities	**390,004**	**92,683**	**482,687**
Non-current liabilities	**2,511,329**	**63,579**	**2,574,908**
Segment liabilities	**2,901,333**	**156,262**	**3,057,595**

5 Revenues and segment information *(Continued)*

(d) Operating segments *(Continued)*

	Hong Kong *HK$'000*	US *HK$'000*	Total *HK$'000*
For the six months ended 30th June 2025			
Segment revenues			
Property rental	146,541	24,945	171,486
Property related services	14,653	–	14,653
Hotel operations	39,799	–	39,799
Catering operations	9,033	–	9,033
Total segment revenues	210,026	24,945	234,971
Segment results – underlying loss			
– Property rental and related services	(2,648)	(1,687)	(4,335)
– Hotel and catering operations	(4,548)	–	(4,548)
Fair value losses on investment properties	(184,693)	(13,868)	(198,561)
Deferred income tax, net	–	2,913	2,913
Loss for the period	(191,889)	(12,642)	(204,531)
Included in segment results:			
Finance income	1,011	107	1,118
Finance costs	(58,349)	(2,794)	(61,143)
Income tax expense (note)	(4,142)	(18)	(4,160)
Depreciation	(21,589)	(409)	(21,998)
Employee benefit expenses	(39,119)	(2,116)	(41,235)
Capital expenditure	1,330	–	1,330

5 Revenues and segment information *(Continued)*

(d) Operating segments *(Continued)*

	Hong Kong *HK$'000*	US *HK$'000*	Total *HK$'000*
At 31st December 2025			
Property, plant and equipment	1,907,051	4,350	1,911,401
Investment properties	8,617,470	461,476	9,078,946
Prepayments for non-current assets	554	–	554
Non-current assets (excluding financial assets at fair value through other comprehensive income)	10,525,075	465,826	10,990,901
Non-current financial assets at fair value through other comprehensive income	18,376	–	18,376
Current assets	231,476	31,987	263,463
Segment assets	10,774,927	497,813	11,272,740
Current liabilities	2,011,251	102,144	2,113,395
Non-current liabilities	836,586	66,474	903,060
Segment liabilities	2,847,837	168,618	3,016,455

Note: The amount excludes net deferred income tax of US segment.

6 Property, plant and equipment and investment properties

	Property, plant and equipment *HK$'000*	Investment properties *HK$'000* (note)
Net book value or valuation		
At 31st December 2025 and 1st January 2026	**1,911,401**	**9,078,946**
Additions	**2,815**	**16,067**
Capitalised letting fees	**–**	**3,756**
Amortisation of capitalised letting fees	**–**	**(1,915)**
Depreciation	**(21,655)**	**–**
Disposals and write-off	**(654)**	**–**
Fair value gains	**–**	**53,866**
At 30th June 2026	**1,891,907**	**9,150,720**
At 1st January 2025	1,952,774	9,294,986
Additions	1,330	–
Capitalised letting fees	–	617
Amortisation of capitalised letting fees	–	(1,890)
Depreciation	(21,998)	–
Disposals and write-off	(198)	–
Fair value losses	–	(198,561)
At 30th June 2025	1,931,908	9,095,152

Note:

Investment properties

The Group measures its investment properties at fair value. As at 30th June 2026, 31st December 2025 and 30th June 2025, the fair value of the investment properties of the Group in Hong Kong were valued by Jones Lang LaSalle Limited. As at 30th June 2026, the Group's US investment property was valued by Cushman & Wakefield (31st December 2025 and 30th June 2025: Newmark Valuation & Advisory). They are independent qualified valuers not related to the Group, who hold recognised relevant professional qualifications and have recent experience in the locations and segments of the investment properties valued.

6 Property, plant and equipment and investment properties *(Continued)*

Note: *(Continued)*

Investment properties *(Continued)*

All the investment properties of the Group measured at fair value are categorised as Level 3 in the fair value hierarchy. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Levels 1, 2 and 3 during the period (2025: Nil).

For majority of the completed properties, the income capitalisation method was used. For income capitalisation method, the valuers apply assumptions for capitalisation rates and notional income, which are influenced by the prevailing market yields and comparable market transactions to arrive at the final valuation.

For certain carparks, the direct comparison method was used. Direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

For properties under development, the residual method was used, whereby the valuation is derived from the gross development value of the project upon completion (estimated using a direct comparison method) less estimated development costs and allowance for developer's profit.

There were no changes to the valuation techniques during the period.

7 Debtors and prepayments

Included in debtors and prepayments are trade debtors, net of HK$1,785,000 (31st December 2025: HK$1,146,000) and the ageing analysis of the trade debtors, net based on invoice date was as follows:

	As at 30th June 2026 ***HK$'000***	As at 31st December 2025 *HK$'000*
0 – 30 days	**1,036**	655
31 – 60 days	**329**	251
61 – 90 days	**329**	240
Over 90 days	**91**	–
	1,785	1,146

The trade debtors represent rental and management fee receivables. The Group normally does not grant credit to tenants for lease receivables, and grants 30 days credit for management fee receivables.

8 Share capital

Ordinary shares, issued and fully paid:

	Number of shares ***(thousands)***	**Share capital** ***HK$'000***
At 30th June 2026, 1st January 2026 and 31st December 2025	**287,670**	**417,321**

9 Long term bank loans

	As at 30th June 2026 ***HK$'000***	As at 31st December 2025 *HK$'000*
Bank loans – secured		
– wholly repayable within five years	**2,515,031**	2,524,435
Amounts due within one year included under current liabilities	**(169,140)**	(1,854,666)
	2,345,891	669,769
The maturity of the long term bank loans is as follows:		
– within one year	**169,140**	1,854,666
– in the second year	**312,126**	31,380
– in the third to fifth year	**2,033,765**	638,389
	2,515,031	2,524,435

The long term bank loans together with short term bank loans (note 13) are secured certain investment properties and property, plant and equipment in Hong Kong and the US with an aggregate carrying value of HK$7,654,844,000 (31st December 2025: HK$7,683,608,000) and the rental income thereon.

10 Deferred income tax liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes related to the same fiscal authority.

The movements on the net deferred income tax liabilities are as follows:

	For the six months ended 30th June		For the year ended 31st December
	2026	2025	2025
	HK$'000	*HK$'000*	*HK$'000*
At the beginning of the period/year	**229,411**	229,189	229,189
(Credited)/charged to profit or loss (note 17)	**(1,130)**	(1,665)	222
At the end of the period/year	**228,281**	227,524	229,411

11 Derivative financial instruments

	As at 30th June 2026	As at 31st December 2025
	HK$'000	*HK$'000*
Asset/(liability)		
Derivatives that are not designated in hedge accounting relationships:		
Interest rate swap contract	**143**	(3,217)

The notional principal amount of the outstanding interest rate swap contract as at 30th June 2026 was HK$200,000,000 (31st December 2025: HK$200,000,000).

The net fair value gain on interest rate swap contract of HK$2,928,000 (30th June 2025: losses of HK$3,973,000) (note 15) has been recognised and charged to profit or loss for the period.

12 Creditors and accruals

Included in creditors and accruals are trade creditors of HK$4,663,000 (31st December 2025: HK$12,586,000) and the ageing analysis of the trade creditors based on invoice date was as follows:

	As at 30th June 2026 ***HK$'000***	As at 31st December 2025 *HK$'000*
0 – 30 days	**4,524**	12,245
31 – 60 days	**23**	156
61 – 90 days	**9**	–
Over 90 days	**107**	185
	4,663	12,586

13 Short term bank loans

	As at 30th June 2026 ***HK$'000***	As at 31st December 2025 *HK$'000*
Short term bank loans – secured	**187,000**	123,000

Short term bank loans are secured by certain investment properties and property, plant and equipment in Hong Kong with carrying value as disclosed in note 9 and the rental income thereon.

14 Cost and expenses

	For the six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Depreciation	**21,655**	21,998
Amortisation of capitalised letting fees	**1,915**	1,890
Donations	**2,853**	2,661
Outgoings, in respect of (note (a))		
– investment properties	**32,372**	29,936
– properties for sale	**4,438**	3,374
– property related services	**12,736**	12,716
– property, plant and equipment	**1,707**	2,058
Outgoings, in respect of (note (b))		
– hotel and catering operations	**37,485**	36,145
Other employee benefit expenses	**41,532**	41,235
Others	**21,966**	24,299
Total cost of sales and administrative expenses	**178,659**	176,312

Notes:

(a) Outgoings mainly included building management fee, government rent and rates, repairs and maintenance and employee benefits.

(b) Outgoings mainly included food cost, commission expense, electricity charge, cleaning fee and employee benefits.

15 Other gains/(losses), net

	For the six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Dividend income from financial assets at fair value through other comprehensive income	**657**	652
Realised and unrealised gain/(losses) on derivative financial instruments, net (note 11)	**2,928**	(3,973)
Gains/(losses) on disposal of property, plant and equipment, net	**4,312**	(36)
	7,897	(3,357)

16 Finance income and costs

	For the six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Finance income		
Interest income from bank deposits	**709**	1,118
Finance costs		
Interest expenses on bank loans	**(52,609)**	(61,143)
Finance costs, net	**(51,900)**	(60,025)

17 Income tax expense

Hong Kong Profits Tax has been provided at the rate of 16.5% (30th June 2025: 16.5%) on the estimated assessable profits for the period. Except for the minimum US state tax, no overseas taxation (30th June 2025: Nil) has been provided as there is no estimated taxable profit for the overseas subsidiaries for the period.

The amount of income tax (charged)/credited to the condensed consolidated statement of profit or loss represents:

	For the six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Current income tax		
– Hong Kong Profits Tax	**(3,195)**	(2,894)
– US taxation	**(39)**	(18)
	(3,234)	(2,912)
Deferred income tax (note 10)		
– Hong Kong	**(1,765)**	(1,248)
– US	**2,895**	2,913
	1,130	1,665
	(2,104)	(1,247)

18 Profit/(loss) per share

The calculation of basic profit per share is based on profit attributable to owners of the Company of HK$48,323,000 (30th June 2025: loss of HK$202,062,000) and on 287,670,000 (30th June 2025: 287,670,000) ordinary shares in issue during the period.

As there are no dilutive potential ordinary shares for the six months ended 30th June 2026 and 2025, the diluted profit/(loss) per share is equal to the basic profit/(loss) per share.

19 Dividend

	For the six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Interim, declared, of HK3 cents (2025: HK3 cents) per ordinary share	**8,630**	8,630

At a meeting held on 24th August 2026, the directors declared an interim dividend of HK3 cents per ordinary share for the year ending 31st December 2026. This declared dividend is not reflected as a dividend payable in this Condensed Consolidated Interim Financial Information, but will be reflected as an appropriation of retained profits for the year ending 31st December 2026.

20 Capital commitments

	As at 30th June 2026	As at 31st December 2025
	HK$'000	*HK$'000*
Contracted but not provided for		
– investment properties	**41,111**	48,180
– property, plant and equipment	**3,170**	1,534
	44,281	49,714

21 Related parties transactions

The Group entered into the following transactions with related parties during the period:

(a) Property rental and property related services transactions with related parties

Revenues from property rental and property related services in note 5(a) included amounts of HK$1,313,000 (30th June 2025: HK$865,000) and HK$262,000 (30th June 2025: HK$256,000) respectively from related companies and persons based on prices and terms as agreed by the parties involved.

(b) Key management remuneration

Remuneration for key management was as follows:

	For the six months ended 30th June	
	2026	2025
	HK$'000	*HK$'000*
Short term employee benefits	**20,456**	20,113
Post-employment benefits	**9**	9
	20,465	20,122

Report on Review of Interim Financial Information

TO THE BOARD OF DIRECTORS OF
TAI SANG LAND DEVELOPMENT LIMITED
(incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 3 to 29, which comprises the interim condensed consolidated statement of financial position of Tai Sang Land Development Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2026 and the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the HKICPA. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the HKICPA.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 24th August 2026

Chairman's Statement

Result

I am pleased to report the results of the Company and its subsidiaries (the "Group") for the six months ended 30th June 2026 ("Period") that the Group's consolidated profit for the Period was HK$58.4 million (30th June 2025: loss of HK$204.5 million). Profit per share for the Period was HK$0.17 (30th June 2025: loss per share of HK$0.70). The consolidated profit for the Period included the fair value gains on investment properties (net of US deferred income tax) of HK$56.8 million (30th June 2025: loss of HK$195.6 million).

Excluding the fair value changes on investment properties and all related effects, the Group's earnings before interest, tax, depreciation and amortisation ("EBITDA") for the Period was HK$80.9 million (30th June 2025: HK$78.4 million) and the Group's underlying profit for the Period was HK$1.6 million (30th June 2025: loss of HK$8.9 million).

The total revenue of the Group for the Period decreased by HK$5.7 million or 2.4% to HK$229.3 million (30th June 2025: HK$235.0 million). The total rental income from the core property leasing business decreased by 6.4% as compared to the same period last year, was due to the drop in rental income from both Hong Kong and the United States ("US"). Whereas, the revenue from the hotel and catering business increased by 11.4% as compared to the same period last year.

As at 30th June 2026, the valuation of the investment properties of the Group was HK$9,150.7 million (31st December 2025: HK$9,078.9 million), increased by HK$71.8 million or 0.8% for the Period. Total equity amounted to HK$8,299.3 million (31st December 2025: HK$8,256.3 million).

Dividend

The board of directors (the "Board") has declared an interim dividend of HK3 cents (30th June 2025: HK3 cents) per ordinary share.

Prospects

The recent art, cultural and sports mega-events in Hong Kong have lifted the overall consumption atmosphere. The inflow of visitors to Hong Kong has benefitted the related retail sector and hospitality industry. Nevertheless, Hong Kong is now experiencing economic transformation and at the turnaround corner with the growth of certain new economy sectors, but the recession of the old economy sectors. There are signs of recoveries in the commercial office market whereas the industrial and warehouse properties rental is still in a slump due to the diminish in demand and increase in supply from the new developed warehouse spaces.

The competition between east and west is elevating and influencing the worldwide economy. China is well ahead the west in the energy policies that the energy supply in China is ample in terms of diversities and stabilities. These forward-looking energy policies also provide a good and stable factor that benefitting the region and support the Greater Bay Area's transformation to the new economy. Hong Kong will also be benefitted if we can react and co-operate with these shifting.

Hopefully, the US Iran war will soon settle and the fluctuation of oil price will be under control. Although the inflation depends much on the changes in oil price, the US Federal Reserve rate rise may be within 0.25% if happens. Such impact to the interest rate trends in Hong Kong may be mild.

We are confident that our operations will remain stable and we will continue to be cautious and will make appropriate adjustments if the circumstances merit. Barring any unforeseen circumstances, the Group will continue to pursue a prudent policy.

William Ma Ching Wai
Chairman

Hong Kong, 24th August 2026

Management Discussion and Analysis

Business review

Property rental

In Hong Kong, the total rental income for the Period was HK$137.0 million, decreased by HK$9.5 million or 6.5% as compared to the same period last year. There were drops in rental contributions from the industrial and commercial properties due to the drops in both the occupancy and rent rate during the Period. The adsorption of industrial units, shops and commercial units may remain slow in the next half of 2026.

In US, the total rental income from Montgomery Plaza was HK$23.5 million for the Period, decreased by HK$1.4 million or 5.7%, as compared to the same period last year. As at 30th June 2026, the office space occupancy rate of Montgomery Plaza improved to 50% (30th June 2025: 45%). Rental performance in San Francisco's office market is varied, pricing increasingly shaped by flight-to-quality dynamics. The average vacancy rate for premium office space in the financial district market was higher than that of the overall market.

Hotel operations

During the Period, total revenue from hotel room tariffs and catering reached HK$54.4 million, increase of HK$5.6 million or 11.4% as compared to the same period last year. Operational performance across the portfolio was as follows:

The Arca Hotel: average occupancy rose to 88.1% (30th June 2025: 83.1%), average daily rate (ADR) increased to HK$1,114 (30th June 2025: HK$1,067) and EBITDA grew significantly to HK$6.1 million (30th June 2025: HK$2.2 million).

The Figo Hotel: average occupancy reached 93.7% (30th June 2025: 93.5%), ADR increased to HK$1,309 (30th June 2025: HK$1,250) and EBITDA rose to HK$2.6 million (30th June 2025: HK$2.2 million).

The performance of The Arca Hotel, particularly its higher occupancy rate, was bolstered by the HKSAR Government's promotion of Mega Event Economy, which focused on extending event durations, broadening geographic coverage, and encouraging repeat visits, driving a notable increase in overall tourist arrivals and diversity during the Period.

Liquidity and financial resources

As at 30th June 2026, the Group's total bank borrowings increased by HK$54.6 million to HK$2,702.0 million (31st December 2025: HK$2,647.4 million), including long term bank loans of HK$2,515.0 million (31st December 2025: HK$2,524.4 million). As at 30th June 2026, the total equity increased by HK$43.0 million to HK$8,299.3 million (31st December 2025: HK$8,256.3 million). The gearing ratio (total debt to equity ratio) as at 30th June 2026 was 32.6% (31st December 2025: 32.1%).

Subsequent to 30th June 2026, the Group has renewed a long term loan facility with the aggregate principal of US$13 million (equivalent to HK$101.4 million) which will expire within one year, to be matured in July 2028.

The cash flow position and funding needs are closely reviewed and monitored to ensure that the Group has a good degree of financial flexibility and liquidity while optimising net financial costs. There are sufficient committed banking facilities available for the Group's current funding needs and future business requirements. The Group's financial position remains healthy.

Capital expenditure

Capital expenditure for the Period amounted to HK$18.9 million (30th June 2025: HK$1.3 million) and capital commitments as at 30th June 2026 amounted to HK$44.3 million (31st December 2025: HK$49.7 million). Both capital expenditure and capital commitments were mainly related to the acquisition of an investment property and addition of property, plant and equipment, property improvement and construction work. The Group anticipates that such commitments will be funded by future operating income, bank borrowings and other sources of finance as appropriate.

Capital structure of the Group

The capital structure of the Group had not changed materially from last annual report.

Treasury policies and objectives

The Group adopts a treasury policy that aims to better control its treasury operations and lower its borrowing cost. As such, the Group endeavours to maintain an adequate level of cash and cash equivalents to address short term funding needs. The Group also considers various funding sources depending on the Group's needs to ensure that the financial resources have been used in the most cost-effective and efficient way to meet the Group's financial obligations. The deposits of the Group at various licensed banks have been and will continue to be conducted in accordance with the Group's treasury policy. The Group reviews and evaluates the treasury policy from time to time to ensure its adequacy and effectiveness.

Foreign currency exchange risk

The Group's borrowings and cash and cash equivalents are primarily denominated in Hong Kong and US dollars and the repayment of principal and interest will be made in the respective lending currency. The Group therefore has no significant exposure to foreign exchange fluctuation.

As at 30th June 2026, the Group did not have any foreign currency hedging activity.

Secured bank borrowings and pledge of assets

Secured bank borrowings of the Group amounting to HK$2,702.0 million (31st December 2025: HK$2,647.4 million) were secured by certain investment properties and land and buildings with an aggregate carrying amount of HK$7,654.8 million (31st December 2025: HK$7,683.6 million) and the rental income therefrom. Interests on the Group's bank borrowings were based on the floating interest rates, i.e. spread plus Hong Kong Inter-bank Offered Rate or US Secured Overnight Financing Rate.

The Group entered into a fixed interest rate swap contract for a notional principal value of HK$200 million at a fixed rate of 3.06%, maturing in April 2028, for effectively stabilising funding costs and preventing it from becoming an excessive drag on operating results.

The maturity of the Group's long term bank loans as at 30th June 2026 is summarised as follows:

	As at 30th June 2026 *HK$'000*	As at 31st December 2025 *HK$'000*
within one year	**169,140**	1,854,666
in the second year	**312,126**	31,380
in the third to fifth year	**2,033,765**	638,389
	2,515,031	2,524,435

Contingent liabilities

As at 30th June 2026, the Group has no significant contingent liabilities or guarantees (31st December 2025: Nil).

Segment information

Details of segment information of the Group are set out in note 5(d) to the condensed consolidated interim financial information.

Employees and emolument policy

As at 30th June 2026, the Group employed a total of 262 (31st December 2025: 267) full-time employees which included the directors of the Company. In addition to salary payment, other benefits included discretionary bonus, insurance, medical schemes and mandatory provident fund schemes.

Employees of the Group are remunerated at a competitive level and are rewarded according to their performance and experience. The promotion and remuneration of the Group's employees are subject to annual review.

The emoluments of the directors of the Company are recommended by the remuneration committee to the Board's decision, having regard to the Group's operating results, individual responsibilities and performance, and comparable market statistics.

The Company has not adopted any share option scheme as an incentive to directors and eligible employees.

Significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures

There were no significant investments held, nor were there any material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30th June 2026.

Future plans for material investments and capital assets

The Group continues its efforts to upgrade and modernise our property portfolio. The Group will pay attention to the economic development and review our business plans for material investments and capital assets regularly.

Interim Dividend and Record Date

The Board has resolved to declare an interim dividend of HK3 cents (2025: HK3 cents) per ordinary share, payable on 25th September 2026 to shareholders whose names standing on the register of members of the Company at the close of business on 9th September 2026, being the record date for determining shareholders' entitlement to the interim dividend. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 9th September 2026.

Directors' and Chief Executive's Interests in Shares

At 30th June 2026, the interests and short positions of each director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of Part XV of SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Number of ordinary shares held at 30th June 2026

	Capacity			
	Personal interest	Corporate interests (notes (a) and (b))	Total	Percentage
Directors:				
William Ma Ching Wai				
(Chairman and Chief Executive)	4,608,354	160,136,485	164,744,839	57.2688%
Patrick Ma Ching Hang	46,256	8,732,013	8,778,269	3.0515%
Philip Ma Ching Yeung	–	–	–	–
Alfred Ma Ching Kuen	9,987	–	9,987	0.0035%
Amy Ma Ching Sau	347,942	–	347,942	0.1210%
Edward Cheung Wing Yui	–	–	–	–
Kevin Chau Kwok Fun	–	–	–	–
Yiu Kei Chung	–	–	–	–
Aaron Tan Leng Cheng	–	–	–	–
Ho Chi Keung	–	–	–	–

All interests stated above represent long positions.

Directors' and Chief Executive's Interests in Shares *(Continued)*

Notes:

(a) Kam Chan & Company, Limited ("Kam Chan & Co", in which Mr. William Ma Ching Wai held 62.01% interests) and its associates and Holston Investment Limited (in which Mr. William Ma Ching Wai held 76.56% interests) directly or indirectly owned 138,998,248 and 21,138,237 ordinary shares in the Company respectively.

(b) Tai Sang International Limited (in which Mr. Patrick Ma Ching Hang held 100% interests) directly owned 8,732,013 ordinary shares in the Company.

(c) Mr. Alfred Ma Ching Kuen beneficially held 9,886 shares (or 0.1765%) in the total number of issued shares of a subsidiary of the Company, Tai Sang Cold Storage & Godown Company Limited.

(d) Mr. Patrick Ma Ching Hang and Ms. Katy Ma Ching Man jointly and beneficially held 47 shares (or 0.94%); Mr. William Ma Ching Wai and Mr. Patrick Ma Ching Hang jointly and beneficially held 1 share (or 0.02%); and Mr. Alfred Ma Ching Kuen beneficially held 23 shares (or 0.46%) in the total number of issued shares of a subsidiary of the Company, Kam Hang Company Limited.

(e) In addition, certain directors of the Company held non-beneficial interests in subsidiaries of the Company in trust to the absolute benefit of the Company, the details of which are available for inspection at the Company's registered office.

(f) Other than as stated above, as at 30th June 2026, no directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporation.

(g) At no time during the Period was the Company or any of its subsidiaries a party to any arrangements to enable the directors and chief executive of the Company (including their spouse and children under 18 years of age) to acquire benefits by means of acquisition of shares, underlying shares or debentures of the Company or any of its specified undertakings or its other associated corporations.

Substantial Shareholders

At 30th June 2026, the interest and short position of substantial shareholders in the shares or underlying shares of the Company, as recorded in the register maintained by the Company under Section 336 of Part XV of the SFO were as follows:

Number of ordinary shares held at 30th June 2026

	Capacity			
	Beneficial owner	Corporate interests (note (a))	Total	Percentage
Substantial shareholders:				
Kam Chan & Co	113,848,758	25,149,490	138,998,248	48.3187%
Holston Investment Limited	21,138,237	–	21,138,237	7.3481%
Gold Fortune Investment Company Limited	15,488,636	–	15,488,636	5.3842%

All interests stated above represent long positions.

Notes:

(a) Gold Fortune Investment Company Limited, Suremark Limited (beneficially interested in 6,738,664 shares in the Company) and Montgomery Securities Nominee Limited (beneficially interested in 2,922,190 shares in the Company) are the wholly owned subsidiaries of Kam Chan & Co. The aggregate shareholdings of these three companies are deemed to be the corporate interests of Kam Chan & Co in the ordinary shares in the Company.

(b) Save as disclosed above, as at 30th June 2026, no other persons had any interests or short positions in the shares or underlying shares of the Company as recorded in the register maintained by the Company under Section 336 of Part XV of the SFO.

Change in Information of Directors

Subsequent to the publication of last annual report, the Company was informed of the following change in information of directors which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules:

Mr. Ho Chi Keung, Independent Non-executive Director

Mr. Ho Chi Keung was appointed as an independent non-executive director of FSE Lifestyle Services Limited (a company listed on the Stock Exchange (stock code: 331)) with effect from 17th August 2026.

Purchase, Sale or Redemption of Shares of the Company

The Company has not redeemed any of its shares during the Period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the Period.

Corporate Governance

The Company complied with the code provisions of Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules during the Period, except the following:

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual to maintain an effective segregation of duties. Mr. William Ma Ching Wai, the Chairman of the Board (the "Chairman") was appointed as the chief executive of the Company (the "Chief Executive") on 15th June 2017, since then Mr. Ma holds both positions as the Chairman and Chief Executive. The Board believes that vesting the roles of both Chairman and Chief Executive on the same individual will enable the Company to have a stable and consistent leadership and also facilitate the planning and execution of the Company's strategy and is hence in the interest of the Company and its shareholders. The Board is of the view that the balance of power and authority is adequately ensured as all major decisions have been made in consultation with the Board and appropriate Board committees, as well as top management, and there are one non-executive director and four independent non-executive directors on the Board offering their experience, expertise, independent advice and views from different perspectives.

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the Company's code of conduct regarding directors' securities transactions. On specific enquires made, all directors have confirmed that they have complied with the Model Code during the Period.

Independent Review

The audit committee of the Company (the "Audit Committee") has reviewed, in the presence of the external auditor, PricewaterhouseCoopers ("PwC"), the Group's principal accounting policies and the condensed consolidated interim financial information for the six months ended 30th June 2026, with no disagreement by the Audit Committee. The condensed consolidated interim financial information of the Group for the six months ended 30th June 2026 are unaudited, but have been reviewed by PwC, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants. A Report on Review of Interim Financial Information is set out on pages 30 and 31.

By Order of the Board
William Ma Ching Wai
Chairman

Hong Kong, 24th August 2026