金朝陽集團有限公司*
SOUNDWILL HOLDINGS LIMITED

於百慕達註冊成立之有限公司
Incorporated in Bermuda with limited liability

股份代號 Stock Code : 0878

INTERIM REPORT 2026
中期報告

*僅供識別 / for identification only

CONTENTS

CORPORATE INFORMATION

DIRECTORS

Executive Directors:
FOO Kam Chu Grace
CHAN Wai Ling *(Deputy Chairman)*
CHAN Hing Tat *(Chairman)*
TSE Wai Hang

Independent Non-executive Directors:
CHAN Kai Nang
PAO Ping Wing
YOUNG Chun Man, Kenneth

COMPANY SECRETARY

TSE Wai Hang

EXTERNAL AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditor

INTERNAL AUDITOR

Crowe (HK) Risk Advisory Limited

LEGAL ADVISORS

Lo, Wong & Tsui
Conyers Dill & Pearman

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

21/F, Soundwill Plaza
No. 38 Russell Street
Causeway Bay, Hong Kong

REGISTERED OFFICE

Richmond House
12 Par-la-Ville Road
Hamilton HM 08, Bermuda

PRINCIPAL BANKS

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
Bank of Communications Co., Ltd.

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Corporate Services (Bermuda) Limited
Canon's Court, 22 Victoria Street
PO Box HM1179, Hamilton HM EX
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

SHARE INFORMATION

Place of Listing
The Main Board of The Stock Exchange of Hong Kong Limited

Stock Code
00878

Board Lot
500 shares

WEBSITE

www.soundwill.com.hk

INVESTOR RELATIONS

E-mail: sw.ir@soundwill.com.hk

FINANCIAL HIGHLIGHTS

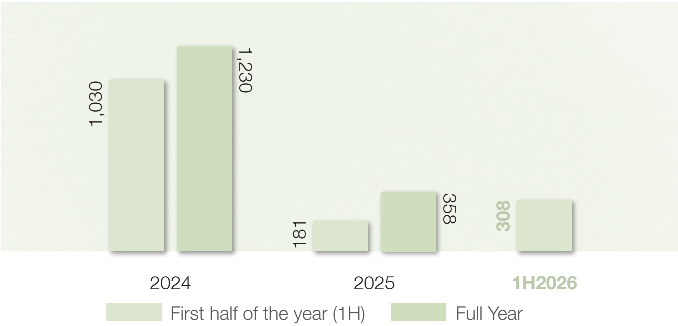
	Six months ended 30 June 2026 (Unaudited) *HK$ million*	Six months ended 30 June 2025 (Unaudited) *HK$ million*
Revenue	**307.9**	180.7
Net fair value loss on investment properties	**(592)**	(1,423)
Loss attributable to owners of the Company	**(484.5)**	(1,337.6)
Basic loss per share (dollars)	**HK$(1.71)**	HK$(4.72)

	At 30 June 2026 (Unaudited) *HK$ million*	At 31 December 2025 (Audited) *HK$ million*
Total assets	**15,305**	15,775
Net assets	**13,049**	13,551
Total borrowings	**1,279**	1,326
Gearing ratio	**10%**	10%
Net asset value per share (dollars)	**HK$46.1**	HK$47.8

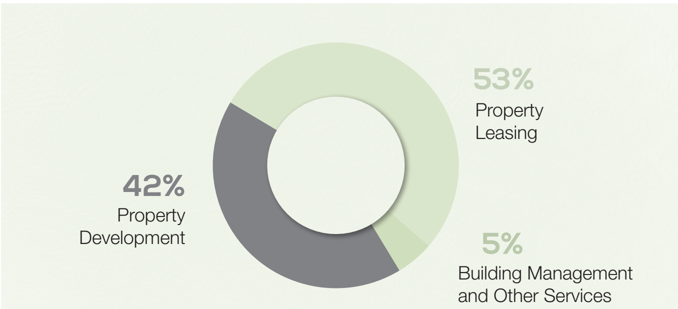
FINANCIAL HIGHLIGHTS (CONTINUED)

GROUP'S TOTAL REVENUE

HK$ million

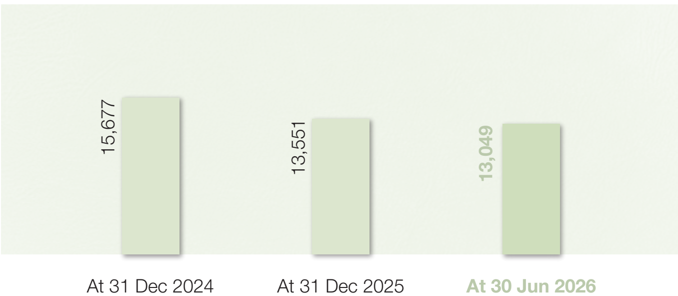


GROUP'S REVENUE MIX FOR THE SIX MONTHS ENDED 30 JUNE 2026



GROUP'S NET ASSET VALUE

HK$ million



MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

In the first half of 2026, the international political and economic environment remained challenging. During this period, escalating geopolitical conflicts in the Middle East led to renewed volatility in energy and commodity prices, reigniting global inflationary pressures. Uncertainty over interest rates in the United States kept market attention closely focused on interest rate movements, resulting in an unpredictable investment environment.

Benefiting from the surge in demand for AI-related products and the recovery in Asia-Pacific trade, Hong Kong recorded a significant uptick in exports and re-exports, which drove broader economic growth. However, volatility in the external macroeconomic environment continued to put pressure on local asset markets. Banks remained cautious in approving mortgages for commercial, industrial and retail properties, which further constrained investment and transaction liquidity. With costs continuing to rise, both investors and end-users exercised greater restraint when they considered entering the market. At the same time, the retail and food and beverage sectors were forced to adapt to shifts in local consumption patterns, as consumers increasingly prioritised diversified experiences and value for money, creating downward pressure on rental yields.

During the review period, the Group's major investment properties, including Soundwill Plaza, Soundwill Plaza II — Midtown and 10 Knutsford Terrace, also faced rental pressures, which resulted in a slight decline in overall rental revenue. The Group's flagship digital industrial landmark, iCITY, delivered impressive performance during the review period. Following the launch of new units in March, the market responded enthusiastically with over 130 units subscribed by the end of June. To further unlock the project's value, the Group plans to fix price lists for more workshops and market top floor workshops in the second half of the year.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

During the first six months of 2026, the Group maintained a prudent approach to its landbank and development strategy in a macro environment marked by cyclical adjustments in the local property market, a high-interest-rate regime and downward pressure on commercial property valuations. This involved re-evaluating the pace of the Group's old building acquisitions and ownership consolidation, deliberately adjusting it to respond dynamically to prevailing market conditions. The Group also remained focused on safeguarding liquidity and flexibility when allocating resources, carefully managing gearing ratios and cash flow risks, and exploring asset optimisation and monetisation opportunities as part of its long-term value creation strategy.

Property Leasing

For the six months ended 30 June 2026, the Group's property leasing business segment recognised revenue of approximately HK$161,718,000, representing approximately 53% of the Group's total revenue for the period.

During the review period, visitor arrivals to Hong Kong continued to grow driven by mega-events and major activities. However, spending patterns among both local residents and visitors have undergone a structural shift. As local consumers travelled north for outbound spending and market competition intensified, the retail and food and beverage sectors remained in a transitional phase of adaptation, placing downward pressure on the Group's property leasing business, particularly on rental renewals. Accordingly, the Group's rental revenue experienced a slight overall decline.

Despite the challenging macroeconomic environment, the Group continued to benefit from its prime property locations. Key assets, including Soundwill Plaza, Soundwill Plaza II — Midtown, 10 Knutsford Terrace and Kai Kwong Commercial Building, are strategically situated in core Hong Kong business districts, backed by steady foot traffic and strong long-term earning potential. During the period, the Group optimised the tenant mix in response to market changes. New leases included lifestyle and experiential based tenants, particularly human-pet grooming services, to capitalise on robust market demand driven by the "pet economy".

One Storage Management Company Limited

One Storage, a wholly owned subsidiary of the Group, provides secure, spacious and efficient storage solutions with attentive professional management services. All facilities are strategically located in key areas across Hong Kong; come equipped with comprehensive amenities; and are fully compliant with the latest fire safety regulations to ensure the security of stored items. Throughout the period, One Storage continued to open new branches and maintained a satisfactory overall occupancy rate.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

To meet market demand, One Storage launched a cost-effective shared storage solution for corporate clients as well as customers carrying out home renovations. Another service of the company, One Box, is an on-site storage service that offers a seamless, door-to-door experience through its easy-to-use booking system. Well received by customers in various professional sectors, this service is just one example of how One Storage is enhancing the user experience by further refining its operational processes.

In a proactive move, the Group strengthened its fire safety and smart management systems during the review period. To further improve safety and operational efficiency, all branches completed a new round of facility inspections and enhancements. The Group now plans to introduce more self-access smart equipment that will improve customer service, convenience and competitiveness.

Property Development

For the six months ended 30 June 2026, the Group's property development business segment recognised revenue of approximately HK$130,708,000, representing approximately 42% of the Group's total revenue for the period.

iCITY, the Group's landmark digital industry building, is located at 111 Ta Chuen Ping Street, Kwai Chung. This 20-storey development comprises Phase I and Phase II, with a total of 601 workshops. On a typical floor, each workshop has a gross floor area ranging from 422 to 510 square feet. Workshops have an exceptionally high typical ceiling height of 4.2 meters, giving tenants a high degree of spatial flexibility. The project also features approximately 18,000 square feet of landscaped terraces with interactive spaces and facilities to promote social connectivity.

Phase II of the project, launched in late April 2026, offered discounted entry prices starting from approximately HK$2.16 million. These strategically adjusted prices, which were set in response to market demand, were enthusiastically received in the market. En-suite washrooms and high floor-to-ceiling heights, together with targeted marketing initiatives and integrated online/offline promotional campaigns, ensured the project enjoyed widespread attention after the launch. As of the end of June 2026, more than 130 units in Phase II had been subscribed. The Group also adopted a 'sold with tenancy' strategy, which successfully attracted capital inflows. The project was further supported by instances of both bulk investors entering the market and tenants transitioning from renting to buying, reflecting the robust demand for high-quality, small-sized modern industrial units such as those offered by iCITY.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

In view of the rapid absorption of the remaining inventory of the project's units, the Group plans to launch a new price list for the project's additional units in the second half of the year. In response to sustained market demand, the prices of selected upper-floor and premium units are expected to increase by 3% to 6%. The Group also plans to launch rooftop workshops in the near term to further unlock the value of the project.

In the first half of 2026, the Mainland China property market continued to bottom out. Starting in the second quarter, however, localised recoveries were seen in select cities with a rebound in transaction activity. Notably, first-tier and core second-tier cities showed signs of temporary stabilisation, giving rise to a pattern of structural divergence across the market. The extent of these market recoveries relied heavily on "product competitiveness and location scarcity", which further deepened the divergence between different cities. At the policy level, the April meeting of the Political Bureau of the CPC Central Committee explicitly called for "striving to stabilise the real estate market". With this clear direction set, policy implementation in the second half of the year is expected to remain targeted on "stabilising property prices and market expectations", providing a more predictable regulatory environment.

Two property development projects reached completion in the Greater Bay Area during the period Grand Capital in Doumen District, Zhuhai, and Lakeview Bay • VOGUE, a high-rise and villa complex in Gaoyao District, Zhaoqing. Currently, Grand Capital has only a few remaining units left for sale, while Lakeview Bay • VOGUE still has some units on the market. Both projects benefited from adjustments to the Group's sales models and marketing strategies during the review period. For the Lakeview Bay project, the Group restructured the sales team and optimised its policies, unlocking regional market demand as evidenced by the significant uptick in transactions since March. In the second half of the year, the Group will look for sales growth opportunities, while leveraging the new national stabilisation policy and release of market demand to reinforce the long-term value of its Greater Bay Area operations.

Building Management and Other Services

For the six months ended 30 June 2026, the Group's building management segment recognised revenue of approximately HK$15,522,000, representing approximately 5% of the Group's total revenue for the period.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The Group's property management team specialises in high-quality building management and maintenance services. Its service portfolio spans Grade A office buildings, industrial premises and small-to-medium residential estates. Committed to delivering professional property and facility management solutions up to international standards, the property management team fully supports its clients' operations while enhancing the value of their assets. The team is composed of management personnel who have extensive experience and recognised qualifications, as well as ISO 9001, ISO 14001 and ISO 45001 international management system certifications. These certifications fully reflect the Group's rigorous standards and commitment to quality management, environmental protection, and occupational health and safety.

To ensure the safety and security of its clients' properties, the security team is equipped with advanced smart surveillance and patrol systems for better access control and prompt emergency responses. The maintenance and repair team, which is staffed by experienced technicians, provides installation, maintenance and preventive care services for electrical, drainage, fire safety, HVAC and elevator systems, backed by 24-hour emergency support, to guarantee seamless property operations.

During the first half of the year, the property management team conducted regular performance reviews and adopted innovative technologies, as part of an initiative to improve operational efficiency and enhance market competitiveness. To provide even more efficient security monitoring and facility condition monitoring, the team has implemented an Internet of Things (IoT)-enabled central management system that helps ensure the safe and reliable operation of its managed properties. Fully supported by the Group, the team continued to pursue opportunities to expand the property management and service portfolio during the review period, setting a solid foundation for its long-term strategic development.

Communication with Shareholders and Investors/Investor Relations

The Group firmly believes that regular, transparent communication is key to keeping investors better informed about the Group's businesses and development strategy. In the first half of 2026, the team simultaneously made use of various electronic communication channels and online platforms to ensure the timely and accurate disclosure of the Group's latest developments and financial information. By maintaining continuous engagement with global investors, the Group is able to further enhance transparency and build trust.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The Group held its annual general meeting in May 2026, while also maintaining close contact with the media and the investment community through regular performance announcements, press releases and day-to-day investor communications. Dedicated to promoting high-quality business growth, the Group continuously refines its corporate governance practices to strike an optimal balance among regulatory compliance frameworks, risk management and operational performance. The Board firmly believes that sound corporate governance is essential for guiding the Group towards its sustainable development and creating enduring value for shareholders.

Corporate Citizenship

Sustainability is one of the core values and an important corporate strategy of the Group. After establishing a dedicated sustainability task force, the Group continued to review and optimise its environmental, social and governance (ESG) performance during the review period. The Group has also formed a dedicated climate change task force to carry out its long-term green transformation strategy. Under this strategy, the Group has launched decarbonisation and energy-saving initiatives across core assets, aligned with the Stock Exchange's latest climate disclosure standards, and constructed a more resilient climate risk management framework. The implementation of cross-departmental low-carbon operational models was also accelerated during the period.

Community engagement is another important aspect of the Group's corporate social responsibilities. In the first half of the year, the Soundwill Volunteer Team, along with volunteers from One Storage and the property management team, participated in a variety of community events. These included collaborating in grassroots care initiatives to provide support for non-profit organisations, promoting waste reduction at source and recycling within the community, and offering complimentary storage space and logistics resources to support the supply chain needs of charitable endeavours.

The Group's environmental performance has received widespread recognition over the years, including the BOCHK Corporate Low-Carbon Environmental Leadership Awards — EcoPartner presented by the Federation of Hong Kong Industries. During the review period, the Group continued to integrate green, low-carbon principles into its daily operations. Looking ahead, the Group will stay closely aligned with societal needs and its environmental priorities. Leveraging its resources and the strategic locations of its property portfolio, the Group will deepen its collaboration with community groups and non-profit organisations to create long-term value for society.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Outlook

The global political and economic landscape in the second half of 2026 is likely to remain complex and challenging. On the one hand, major central banks have begun an interest rate cutting cycle as inflation gradually eases, providing support for market liquidity, and certain geopolitical tensions have begun to moderate. On the other hand, risks and uncertainty associated with a potential U.S. rate hike will probably persist, dampening overall market sentiment. Other risks include geoeconomic fragmentation and rising protectionist measures that will continue to challenge cross-border capital flows and global supply chain resilience. What's more, the long-term outlook for the AI industry remains uncertain, posing ongoing challenges for markets in the second half of the year.

Locally, Hong Kong's economy has been undergoing a structural transition. Foreign trade exports have shown resilience, buoyed by demand for tech products and the recovery in Asia-Pacific trade. However, cyclical adjustments in the asset market, coupled with profound shifts in the spending patterns of both residents and visitors, mean that rebuilding market confidence will take time. Nevertheless, the HKSAR government's implementation of Beijing's support measures, the expansion of the Individual Visit Scheme to more cities, and the promotion of a mega-event economy and high-quality tourism are expected to inject recovery momentum into the retail, food and beverage, and consumer sectors.

In response to external challenges, the Group will maintain its high strategic agility and defensive strengths. For its property development business, the Group will continue its prudent approach and maintain strict control over its landbank. For iCITY, the Group's digital industrial building project, the Group plans to fix price lists for more workshops and market top floor workshops in the second half of the year, while adjusting its dual-track sales and leasing strategy to accelerate capital recovery. For the core property leasing business, the Group aims to enhance operational efficiency and flexibility through tenant mix optimisation and premium property management services.

The Group regards cash flow management and financial discipline as the cornerstones of its long-term development, using its sound capital structure to navigate economic cycles. At the same time, the Group has been utilising digital tools to increase operational efficiency, exercise precise cost controls, maximise resource efficiency, and reinforce risk resilience, ensuring sufficient defensive capability and flexibility.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Looking further ahead, the Group will continue to consolidate its core business while maintaining an open mind toward diversification. This will involve exploring new commercial opportunities, deepening integrated synergies across the Group's portfolio, ensuring stability amid changing conditions, and creating more resilient and sustainable long-term value for shareholders.

FINANCIAL REVIEW

For the six months ended 30 June 2026, the Group has recorded a revenue of approximately HK$307,948,000 (30 June 2025: HK$180,712,000), representing an increase of approximately HK$127,236,000 as compared with the same period last year. The increase in revenue was mainly due to an increase in income from the property development project.

Loss attributable to owners of the Company for the six months ended 30 June 2026 was approximately HK$484,517,000 (30 June 2025: Loss of HK$1,337,584,000), representing a decrease in loss of 64% as compared with the corresponding period in 2025. The decrease in loss was mainly due to an increase in income from the property development project and a decrease in the valuation loss on investment properties of approximately HK$591,751,000 was recorded as at 30 June 2026, when compared with a loss of approximately HK$1,423,124,000 during the corresponding period in 2025.

Total interest expenses for the six months ended 30 June 2026 amounted to approximately HK$23,485,000 (30 June 2025: HK$24,819,000).

The Company's basic loss per share was HK$1.71 as compared with the loss per share in the same period of last year of HK$4.72.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL RESOURCES AND LIQUIDITY

As at 30 June 2026, the Group's cash and bank balances (including short-term bank deposits and cash and cash equivalents) amounted to approximately HK$1,438,252,000 (31 December 2025: HK$1,338,985,000). Total borrowings of the Group amounted to approximately HK$1,278,798,000 as at 30 June 2026 (31 December 2025: HK$1,325,835,000). The Group's gearing ratio (which was expressed as a percentage of total borrowings over total equity) was 10% as at 30 June 2026 (31 December 2025: 10%).

As at 30 June 2026, the Group's net assets amounted to approximately HK$13,049,244,000 (31 December 2025: HK$13,550,915,000).

The Group mainly operates and invests in Hong Kong and the Mainland China with most of the transactions denominated and settled in Hong Kong Dollars and Renminbi respectively. Therefore, any Mainland China operations are translated from RMB into Hong Kong dollars at the reporting date and the exchange differences will be reflected in the consolidated income statement at average rate and exchange reserve in other comprehensive income at closing rate. During the period, the Group did not engage in any derivative activities or use any financial instruments to hedge its balance sheet exposures.

Acquisition and development of properties are financed partly by internal resources and partly by bank borrowings. Repayment of bank loans is scheduled to match asset lives and project completion dates. Borrowings are denominated in Hong Kong Dollars and bear interest at floating rates.

TREASURY POLICY

Capital Structure Management

To ensure healthy liquidity, a strong financial position, and an optimised capital structure that supports its financing needs and sustainable growth, the Group strives to diversify funding sources and maintain an appropriate debt maturity profile aligned with the overall use of funds. The Group also aims to secure ample funding to meet its operational needs including capital expenditure on strategic projects, if any.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Funding sources

The Group focuses on diversified funding sources which primarily driven by the following activities:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Net cash generated from operating activities	**220,905**	81,580
Net cash used in investing activities	**(158,615)**	(143,473)
Net cash used in financing activities	**(106,497)**	(43,214)
Net decrease in cash and cash equivalents	**(44,207)**	(105,107)

Cash Management

The Group's total cash and bank balances at the respective reporting dates are as follows:

	30 June 2026		31 December 2025	
	HK$'000	***% of Total***	*HK$'000*	*% of Total*
Short-term bank deposits with original maturity over three months	**890,969**	**62%**	752,115	56%
Cash and cash equivalents	**547,283**	**38%**	586,870	44%
	1,438,252	**100%**	1,338,985	100%

All deposits are placed with banks carrying strong credit ratings. The counterparty risk is routinely monitored.

The Group's total cash and bank balances at the respective reporting dates by currency are as follows:

	30 June 2026		31 December 2025	
	HK$'000	***% of Total***	*HK$'000*	*% of Total*
Denominated in:				
USD	**1,177,835**	**82%**	1,112,370	83%
HKD	**197,749**	**14%**	117,705	9%
RMB	**62,668**	**4%**	108,910	8%
	1,438,252	**100%**	1,338,985	100%

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Based on the information above, it is unlikely to have significant foreign currency risk as the total cash and bank balances are mainly denominated in USD and the HKD is pegged to the USD under a linked exchange rate system implemented in Hong Kong.

Maturity Profile

At the reporting dates, the average tenure of our debt portfolio was 1.9 years (31 December 2025: 2.3 years). The maturity profile was staggered over 3 years. Around 27% of our outstanding bank loans are repayable after two years.

	30 June 2026		31 December 2025	
	HK$'000	***% of Total***	*HK$'000*	*% of Total*
Carrying amount of bank loans repayable based on the scheduled repayment dates set out in the loan agreements:				
Within one year	**64,074**	**5%**	64,074	5%
More than one year, but not exceeding two years	**863,724**	**68%**	493,493	37%
More than two years, but not exceeding five years	**351,000**	**27%**	768,268	58%
Total borrowings	**1,278,798**	**100%**	1,325,835	100%

Finance costs and Interest Coverage

For the six months ended 30 June 2026, interest expense on borrowings amounted to approximately HK$23,485,000, representing a decrease of 5% as compared with approximately HK$24,819,000 of corresponding period last year. The decrease was mainly attributable to a decrease in borrowings during the period.

The Group's interest coverage is defined as EBITDA before fair value adjustment divided by interest expenses on borrowings, which was 6 times for 2026 (2025: 5 times).

SIGNIFICANT INVESTMENTS HELD

Save as disclosed under the section headed "Management Discussion and Analysis", the Group did not have any significant investments during the financial period ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

MATERIAL ACQUISITION AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

For the period ended 30 June 2026, there was no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group.

EVENT AFTER REPORTING PERIOD

Save as disclosed in this interim report, there were no other significant events affecting the Company nor any of its subsidiaries after the reporting period as at 30 June 2026.

EMPLOYEES AND REMUNERATION POLICY

The Group employed an average of 318 and 52 employees in Hong Kong and Mainland China respectively as at 30 June 2026 (30 June 2025: 321 and 50 employees). Employees were remunerated on the basis of their performance, experience and market practice.

Remuneration packages comprise salary, medical insurance, mandatory provident fund and year end discretionary bonus. During the six months ended 30 June 2026, total salaries and wages were approximately HK$68,100,000 (30 June 2025: HK$70,285,000).

PLEDGE OF ASSETS

As at 30 June 2026, certain investment properties, properties for sales and property, plant and equipment of the Group with a total carrying value of approximately HK$6,931,855,000 (31 December 2025: approximately HK$7,334,493,000) were pledged to secure banking facilities for the Group.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group provided guarantees amounted to approximately HK$13,416,000 (31 December 2025: HK$25,759,000) to banks with respect to mortgage loans procured by the purchasers of the Group's properties in the Mainland China. Such guarantees will be released by banks upon delivery of the properties to the purchasers and completion of the registration of the mortgage with the relevant mortgage registration authorities or settlement of the outstanding mortgage loan. In the opinion of the Directors, the fair value of the financial guarantee is not significant.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

(a) Directors' interests in the Company

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which are required to be (i) notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have taken under such provisions of the SFO); or (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

Long positions in the shares and underlying shares:

Name of Director	Capacity	Number of Ordinary Shares Interested	Approximate Percentage of the Company's Total issued Shares
Foo Kam Chu Grace	Beneficial owner and Beneficiary of a trust	212,401,630 *(Note 1)*	74.97%
Chan Wai Ling	Beneficiary of a trust	212,305,028 *(Note 2)*	74.94%
Chan Hing Tat	Beneficiary of a trust	212,305,028 *(Note 3)*	74.94%

Note 1: Madam Foo Kam Chu ("Madam Foo") was deemed to be interested in 212,401,630 shares of the Company in aggregate: (i) 96,602 shares of the Company was personally held by Madam Foo; (ii) 209,919,028 shares of the Company was held by Ko Bee Limited ("Ko Bee"), the entire issued share capital of which was held by a discretionary trust (the "Trust"). Madam Foo is a beneficiary of the Trust; and (iii) 2,386,000 shares of the Company was held by Full Match Limited ("Full Match"), a company wholly-owned by Ko Bee. Both Ko Bee and Full Match are incorporated in the British Virgin Islands with limited liability.

Note 2: Ms. Chan Wai Ling ("Ms. Chan") was deemed to be interested in 212,305,028 shares of the Company. Ms. Chan is a beneficiary of the Trust.

Note 3: Mr. Chan Hing Tat ("Mr. Chan") was deemed to be interested in 212,305,028 shares of the Company. Mr. Chan is a beneficiary of the Trust.

OTHER INFORMATION (CONTINUED)

(b) Directors' Interests in Associated Corporations

Name of Director	Name of associated corporations	Capacity	Number and class of shares held	Percentage of shareholding
Foo Kam Chu Grace	Ko Bee Limited	Beneficiary of a trust	1 ordinary share	100% (Note 4)
Chan Wai Ling	Ko Bee Limited	Beneficiary of a trust	1 ordinary share	100% (Note 4)
Chan Hing Tat	Ko Bee Limited	Beneficiary of a trust	1 ordinary share	100% (Note 4)
Foo Kam Chu Grace	Full Match Limited	Interested in controlled corporation and Beneficiary of a trust	1 ordinary share	100% (Note 4)
Chan Wai Ling	Full Match Limited	Interested in controlled corporation and Beneficiary of a trust	1 ordinary share	100% (Note 4)
Chan Hing Tat	Full Match Limited	Interested in controlled corporation and Beneficiary of a trust	1 ordinary share	100% (Note 4)

Note 4: The entire issued share capital of Ko Bee is held by the Trust. The entire issued share capital of Full Match is held by Ko Bee. Madam Foo, Ms. Chan and Mr. Chan are the beneficiaries of the Trust.

Save as disclosed above, as at 30 June 2026, none of the Directors and chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have taken under such provisions of the SFO); or (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

OTHER INFORMATION (CONTINUED)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2026, the person(s) other than a Director or chief executive of the Company who have interests or short positions of 5% or more in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, was/were as follows:

Long Positions in the Shares

Name of shareholder	Capacity	Number of shares	Approximate percentage of shareholding
Century Pine (PTC) Limited	Trustee of a trust	212,305,028 *(Note 1&5)*	74.94%
Ko Bee	Beneficial owner and Interest of controlled corporation	212,305,028 *(Note 1&5)*	74.94%

Note 5: Ko Bee is ultimately held under the Trust with Century Pine (PTC) Limited, which incorporated in the British Virgin Islands with limited liability, as trustee for Madam Foo and her family members (including Ms. Chan and Mr. Chan, both executive Director of the Company).

Save as disclosed above, as at 30 June 2026, the Company had not been notified by any person(s) (other than the Directors or chief executive of the Company whose interests are set out in the section "Directors' and Chief Executive's Interest and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations" above), who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

OTHER INFORMATION (CONTINUED)

SHARE OPTION SCHEME

The share option scheme was approved and adopted by shareholders of the Company on 23 May 2024 (the “Share Option Scheme”) to provide incentive and/or reward to eligible participants (as defined below) for their contributions or potential contributions to the Group. The Share Option Scheme also enable the Group to recruit, incentivise and retain high-calibre staff, and attract more categories of people by giving incentives to them to contribute to the Group’s growth and development. The eligible participants shall be (i) any director and employees of the Company or the Group; (ii) any person who, or entity which, provides services to the Group on a continuing and recurring basis in the ordinary and usual course of business of the Group, and the grant of options to whom is in the interests of the long-term growth of the Group as determined by the Board; and (iii) any director and employee of the holding companies, fellow subsidiaries or associated companies of the Company. The Share Option Scheme became effective following the grant of a listing approval by the Stock Exchange on 24 May 2024 (“Effective Date”). Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for 10 years from the Effective Date. The remaining life of the Share Option Scheme is about 8 years.

Eligible participants of the Share Option Scheme are required to pay the Company HK$1.00 and signed acceptance of offer upon acceptance of the offer within 21 days from the date of offer.

The maximum number of shares which may be issued upon the exercise of all the options and awards (if any) to be granted under the Share Option Scheme and any other share schemes of the company (“Scheme Mandate Limit”) shall not in aggregate exceed 10% of the issued share capital of the Company as at the Effective Date i.e. 28,330,863 shares, representing 10% of the issued share capital of the Company as at the date of this report.

The total number of shares issued and to be issued in respect of all options or awards granted or to be granted (excluding any share options or award lapsed in accordance with the terms of the Share Option Scheme or any other share schemes of the Company) to each eligible participant in any 12-month period up to the date of grant shall not exceed 1% of the issued share capital of the Company as at the date of grant, without prior approval from the Company’s shareholders. Any grant of share options to an independent non-executive Director or a substantial shareholder of the Company in excess of 0.1% of the issued share capital of the Company at the relevant date of grant in any 12-month period up to the date of grant must be approved in advance by the Company’s shareholders.

OTHER INFORMATION (CONTINUED)

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Board to the grantee, which period may commence from the date of offer but shall end in any event not later than 10 years from the date of offer of that option subject to the provisions for early termination thereof. The vesting period for options under the Share Option Scheme shall not be less than 12 months except under specific circumstances as stipulated under the Share Option Scheme. The exercise price is determined by the Board, and will not be less than the highest of (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotation sheet on the date of grant; (ii) the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotation sheets for five business days immediately preceding the date of grant; and (iii) the nominal value of the shares.

During the six months ended 30 June 2026, no share options have been granted by the Company under the Share Option Scheme. The number of shares available for grant under the Share Option Scheme was 28,330,863, representing 10% of the issued share capital of the Company as at the Effective Date, 31 December 2025, 30 June 2026 and as at the date of this report. The number of shares available for grant under the services provider sublimit was 2,833,086, representing 1% of the issued share capital of the Company as at the Effective Date, 31 December 2025, 30 June 2026 and as at the date of this report.

DIRECTORS' RIGHT TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed above at no time during the six months ended 30 June 2026 were rights to subscribe for equity or debt securities of the Company granted to any Directors or chief executive of the Company or to their spouse or children under 18 years of age as recorded in the register required to be kept under Part XV of the SFO, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to an arrangement to enable any such persons to acquire any such rights in any other body corporate.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026. (30 June 2025: Nil).

OTHER INFORMATION (CONTINUED)

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2026.

PUBLIC FLOAT

Based on the information that was publicly available and to the best belief and knowledge of the Directors, the Company had complied with rule 13.32B of the initial prescribed public float (25% of the total number of issued ordinary shares, excluding treasury shares) throughout the six months ended 30 June 2026 and up to the date of this report as required under the Listing Rules.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the applicable code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") during the six months ended 30 June 2026 except for the following deviation:

Code Provision C.2.1

Code Provision C.2.1 of the CG Code provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The roles of the chairman and chief executive officer are neither separated nor performed by two different individuals. Mr. Chan Hing Tat is the Chairman of the Group. The Chairman is responsible for the overall development direction and strategies of the Group and ensures the Board functions effectively and discharges its responsibilities. There is no chief executive officer appointed and the daily operations of the Group are delegated to other executive Directors, the management and various department heads to act and function in accordance with authority policy. The Board is of the view that the current management structure can effectively facilitate the Group's operation and business development.

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions. Having made specific enquiries with all Directors, the Company confirms that all of them have fully complied with the Model Code throughout the six months ended 30 June 2026.

OTHER INFORMATION (CONTINUED)

The Company has also adopted the written guidelines on no less exacting terms than the Model Code for those relevant employees (as defined in the CG Code) in respect of their dealings in the securities of the Company in compliance with the Code Provision C.1.3 of the CG Code.

AUDIT COMMITTEE

The Audit Committee, comprising three independent non-executive Directors, has reviewed with the management, the accounting principles and practices adopted by the Group and discussed internal control systems and risk management, internal audit and financial reporting matters. The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026 have been reviewed with no disagreement by the Audit Committee.

APPRECIATION

As a final note, I wish to take this opportunity to thank the Directors and staff for their contributions and good performance during the period.

By order of the Board
Soundwill Holdings Limited
Chan Hing Tat
Chairman and Executive Director

Hong Kong, 20 August 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Revenue			
Revenue from goods and services		**146,230**	18,522
Rental income		**161,718**	162,190
Total revenue		**307,948**	180,712
Cost of sales		**(124,433)**	(31,353)
Gross profit		**183,515**	149,359
Other income	4	**35,326**	31,965
Selling expenses		**(24,904)**	(310)
Administrative expenses		**(48,050)**	(56,067)
Net fair value loss on investment properties		**(591,751)**	(1,423,124)
Finance costs	5	**(23,485)**	(24,819)
Loss before income tax expense	6	**(469,349)**	(1,322,996)
Income tax expense	7	**(15,168)**	(14,588)
Loss for the period		**(484,517)**	(1,337,584)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

	Six months ended 30 June	
	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*
Other comprehensive (expense)/ income, net of tax		
Item that will not be reclassified to profit or loss:		
Change in fair value of financial assets at fair value through other comprehensive income ("FVTOCI")	**(491)**	(2,450)
Item that may be reclassified subsequently to profit or loss:		
Exchange gain on translation of foreign operations	**11,668**	8,698
Other comprehensive income for the period, net of tax	**11,177**	6,248
Total comprehensive expense for the period	**(473,340)**	(1,331,336)
Loss for the period	**(484,517)**	(1,337,584)
Total comprehensive expense for the period	**(473,340)**	(1,331,336)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

		Six months ended 30 June	
	Note	**2026 (Unaudited) *HK$***	2025 (Unaudited) *HK$*
Loss per share for loss attributable to owners of the Company during the period	8		
Basic		**(1.71)**	(4.72)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
ASSETS AND LIABILITIES			
Non-current assets			
Investment properties	9	**12,388,550**	12,976,420
Property, plant and equipment	10	**109,216**	110,007
Financial assets at FVTOCI		**35,763**	35,941
Loan receivables	11	**156,147**	169,968
Total non-current assets		**12,689,676**	13,292,336
Current assets			
Properties for sale		**922,223**	1,016,871
Trade and other receivables	11	**193,720**	126,730
Financial assets at fair value through profit or loss ("FVTPL")		**61,162**	—
Short-term bank deposits	12	**890,969**	752,115
Cash and cash equivalents	12	**547,283**	586,870
Total current assets		**2,615,357**	2,482,586
Current liabilities			
Trade and other payables	13	**509,990**	529,383
Contract liabilities		**119,145**	31,281
Lease liabilities		**13,787**	14,349
Borrowings	14	**64,074**	64,074
Provision for income tax		**177,600**	166,565
Total current liabilities		**884,596**	805,652
Net current assets		**1,730,761**	1,676,934
Total assets less current liabilities		**14,420,437**	14,969,270

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Notes	30 June 2026 (Unaudited) HK$'000	31 December 2025 (Audited) HK$'000
Non-current liabilities			
Borrowings	14	**1,214,724**	1,261,761
Lease liabilities		**10,333**	14,709
Deferred tax liabilities		**146,136**	141,885
Total non-current liabilities		**1,371,193**	1,418,355
Net assets		**13,049,244**	13,550,915
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	**28,331**	28,331
Reserves		**13,020,913**	13,522,584
Total equity		**13,049,244**	13,550,915

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	For the six months ended 30 June 2026 (unaudited) Equity attributable to owners of the Company								
	Share capital *HK$'000*	Share premium *HK$'000*	Capital redemption reserve *HK$'000*	Investment revaluation reserve *HK$'000*	Retained profits *HK$'000*	Exchange reserve *HK$'000*	Special reserve *HK$'000*	Proposed final dividends *HK$'000*	Total equity *HK$'000*
At 1 January 2026	28,331	690,811	295	(4,268)	12,835,900	(30,333)	1,848	28,331	13,550,915
Loss for the period	–	–	–	–	(484,517)	–	–	–	(484,517)
Other comprehensive (expense)/income									
Item that will not be reclassified to profit or loss:									
Change in fair value of financial assets at FVTOCI	–	–	–	(491)	–	–	–	–	(491)
Item that may be reclassified subsequently to profit or loss:									
Exchange gain on translation of foreign operations	–	–	–	–	–	11,668	–	–	11,668
Total comprehensive (expense)/income for the period	–	–	–	(491)	(484,517)	11,668	–	–	(473,340)
Final dividend paid for 2025	–	–	–	–	–	–	–	(28,331)	(28,331)
At 30 June 2026	28,331	690,811	295	(4,759)	12,351,383	(18,665)	1,848	–	13,049,244

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	For the six months ended 30 June 2025 (unaudited)							
	Equity attributable to owners of the Company							
	Share capital	Share premium	Capital redemption reserve	Investment revaluation reserve	Retained profits	Exchange reserve	Special reserve	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 January 2025	28,331	690,811	295	41	14,999,252	(43,837)	1,848	15,676,741
Loss for the period	–	–	–	–	(1,337,584)	–	–	(1,337,584)
Other comprehensive income/ (expense)								
Item that will not be reclassified to profit or loss:								
Change in fair value of financial assets at FVTOCI	–	–	–	(2,450)	–	–	–	(2,450)
Item that may be reclassified subsequently to profit or loss:								
Exchange gain on translation of foreign operations	–	–	–	–	–	8,698	–	8,698
Total comprehensive income/ (expense) for the period	–	–	–	(2,450)	(1,337,584)	8,698	–	(1,331,336)
At 30 June 2025	28,331	690,811	295	(2,409)	13,661,668	(35,139)	1,848	14,345,405

CONDENSED CONSOLIDATED CASH FLOWS STATEMENT

	Note	Six months ended 30 June **2026** **(Unaudited)** ***HK$'000***	 2025 (Unaudited) *HK$'000*
Net cash inflow from operating activities		**220,905**	81,580
Net cash outflow from investing activities		**(158,615)**	(143,473)
Net cash outflow from financing activities		**(106,497)**	(43,214)
Decrease in cash and cash equivalents		**(44,207)**	(105,107)
Cash and cash equivalents at 1 January		**586,870**	323,633
Effect of foreign exchange rate changes, net		**4,620**	2,518
Cash and cash equivalents at 30 June	12	**547,283**	221,044

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements of Soundwill Holdings Limited (the "Company") and its subsidiaries (the "Group") for the six months ended 30 June 2026 (the "Unaudited Condensed Consolidated Interim Financial Statements") have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Unaudited Condensed Consolidated Interim Financial Statements are presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

The Unaudited Condensed Consolidated Interim Financial Statements have been prepared on the historical cost basis, except for investment properties, leasehold building, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, which are stated at fair values or revalued amounts.

Other than additional/change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the Unaudited Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's consolidated financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors of the Company for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors of the Company are determined following the Group's major business lines.

The Group has identified the following operating and reportable segments:

Property development	: Development of residential, industrial and commercial properties
Property leasing	: Property rental including signage rental and rental under mini-storage operation
Building management and other services	: Provision of building management, property repairs and maintenance services

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

3. SEGMENT INFORMATION (Continued)

Each of these operating and reportable segments is managed separately as each of the business lines requires different resources as well as operating approaches.

Also, the Group engaged in properties assembly and sales of properties business. There is no project under property assembly business in both periods. Thus, this does not constitute a reportable segment during both periods.

Segment revenue and results

	Six months ended 30 June							
	Property development		Property leasing		Building management and other services		Segment total	
	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*
Revenue								
External customers	**130,708**	6,833	**161,718**	162,190	**15,522**	11,689	**307,948**	180,712
Inter-segments *(note)*	**–**	–	**583**	232	**669**	579	**1,252**	811
Segment revenue	**130,708**	6,833	**162,301**	162,422	**16,191**	12,268	**309,200**	181,523
Segment profits/(loss)	**9,360**	(11,223)	**123,922**	126,461	**9,082**	7,352	**142,364**	122,590
Certain other income, other gains and losses							**22,464**	20,613
Certain administrative expenses							**(18,941)**	(18,256)
Net fair value loss on investment properties							**(591,751)**	(1,423,124)
Finance costs							**(23,485)**	(24,819)
Loss before income tax expense							**(469,349)**	(1,322,996)

Note: Inter-segment sales are charged at mutual agreed terms.

The operating and reportable segment results exclude finance costs, net fair value loss on investment properties, certain other income, other gain and losses, certain administrative expenses and income tax expense.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

3. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

	Property development		Property leasing		Building management and other services		Segment total	
	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
Segment assets	**1,278,986**	1,370,089	**12,580,061**	13,166,151	**34,286**	32,973	**13,893,333**	14,569,213
Certain property, plant and equipment							**23,526**	24,171
Financial assets at FVTOCI							**35,763**	35,941
Financial assets at FVTPL							**61,162**	–
Short-term bank deposits							**890,969**	752,115
Certain cash and cash equivalents							**400,280**	393,482
Total assets							**15,305,033**	15,774,922
Segment liabilities	**392,127**	315,406	**188,988**	204,004	**9,163**	6,033	**590,278**	525,443
Certain other payables							**62,977**	64,279
Borrowings							**1,278,798**	1,325,835
Provision for income tax							**177,600**	166,565
Deferred tax liabilities							**146,136**	141,885
Total liabilities							**2,255,789**	2,224,007

Segment assets include all assets other than certain property, plant and equipment, financial asset at FVTOCI, financial assets at FVTPL, short-term bank deposits, certain cash and cash equivalents.

Segment liabilities comprise all liabilities other than certain other payables, provision for income tax, deferred tax liabilities and borrowings.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

4. OTHER INCOME

	Six months ended 30 June	
	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*
Interest income from financial assets at FVTPL and other bank interest income	**23,437**	21,800
Interest income from loan receivables	**4,734**	4,567
Dividend income from financial assets at FVTOCI	**953**	1,914
Miscellaneous income	**6,202**	3,684
	35,326	31,965

5. FINANCE COSTS

	Six months ended 30 June	
	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*
Interest expenses on:		
Borrowings	**22,976**	24,103
Lease liabilities	**509**	716
	23,485	24,819

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

6. LOSS BEFORE INCOME TAX EXPENSE

Loss before income tax expense is arrived at after charging:

	Six months ended 30 June	
	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*
Cost of completed properties for sale recognised as expense	**100,648**	4,390
Depreciation of right-of-use assets and other property, plant and equipment	**546**	620
Employee compensation expense (including Directors' remuneration and defined contribution cost) *(note)*	**68,100**	70,285
Rentals in respect of short-term leases	**315**	532

Note: During the six months ended 30 June 2026, the Group incurred employee compensation expenses of approximately HK$30,943,000 (2025: HK$28,016,000) included in the above employee benefit expense, which is employed on behalf of the third parties to whom these subsidiaries provided building management services. Such expenses are set-off with other income from building management services received by the Group.

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*
The charge comprises:		
Hong Kong Profits Tax	**10,610**	11,172
Mainland China Enterprise Income Tax ("EIT")	**24**	59
Mainland China Land Appreciation Tax	**283**	4
Deferred tax charge	**4,251**	3,353
	15,168	14,588

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

7. INCOME TAX EXPENSE (Continued)

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profit arising in or derived from Hong Kong for both periods.

All of the Group's Mainland China subsidiaries are subject to Mainland China EIT rate of 25% for both periods.

8. LOSS PER SHARE

The calculation of basic loss per share for loss attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Loss		
Loss attributable to owners of the Company *(HK$'000)*	**(484,517)**	(1,337,584)
Number of shares		
Number of ordinary shares for the purpose of basic loss per share *(note)*	**283,308,635**	283,308,635

Note:

During the six months ended 30 June 2026 and 2025, neither the Company nor any of its subsidiaries had repurchased any of the Company's shares respectively.

No diluted loss per share for six months ended 30 June 2026 and 2025 was presented as there were no potential ordinary shares in issue during six months ended 30 June 2026 and 2025.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

9. INVESTMENT PROPERTIES

Changes to the carrying amount presented in the Consolidated Statement of Financial Position can be summarised as follows:

	2026 (Unaudited) *HK$'000*
Carrying amount at 1 January	**12,976,420**
Additions	
— Construction costs	**1,175**
— Sublease of leased properties	**2,706**
Net fair value loss on investment properties	**(591,751)**
Carrying amount at 30 June	**12,388,550**

The Group's investment properties were revalued at 31 December 2025 and 30 June 2026 by independent professional valuers, Cushman & Wakefield Limited, on the following basis:

- The completed investment properties (whole block of commercial building) are revalued by adopting income capitalisation method, which involves certain estimates, including capitalisation rates and reversionary rental value;

- The completed investment properties (individual units (including commercial, industrial and residential properties) or ground floor retail properties) are revalued based on direct comparison method, by reference to market transactions of comparable properties;

- The leased properties under sublease arrangement by the Group, are revalued based on income capitalisation method which involves certain estimates, including capitalisation rates and reversionary rental value; and

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

9. INVESTMENT PROPERTIES (Continued)

- Investment properties under re-development were revalued on the re-development basis by adopting the residual method. The value is based on the re-development potential of the properties as if these properties will be developed and completed in accordance with the existing redevelopment proposal at the date of valuation and is determined by deducting the estimated total cost of the development, including costs of construction, professional fee, finance cost, associated costs and an allowance of profit that duly reflected developer's risk associated with the development from the gross development value.

In determining the fair values of the investment properties, the Group engages an independent qualified professional valuer to perform the valuation. The management works with the independent qualified professional valuer to establish the appropriate valuation techniques and inputs for level 3 fair value measurement. Where there is a material change in the fair value of the investment properties, the causes of the fluctuations will be reported to the Directors.

In relying on these valuations, the management has exercised judgement and are satisfied that the methods of valuation adopted are appropriate and reflective of the current market conditions.

The carrying amount of the Group's investment properties is a level 3 fair value measurement. There were no investment property transfers into or out of level 3 fair value measurement during both periods.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

9. INVESTMENT PROPERTIES (Continued)

The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used).

Investment properties held by the Group in the consolidated statement of financial position	Fair value as at 30 June 2026 *HK$'000*	Valuation technique(s)	Significant unobservable input(s)	Range of significant unobservable inputs	Interrelationship between significant unobservable input(s) and fair value measurement
Completed investment properties					
Completed investment properties (whole block of commercial building)	8,819,700 (31 December 2025: 9,280,700)	Income capitalisation method	Reversionary rental value	HK$18 – HK$41 (31 December 2025: HK$18 – HK$42) per month per square foot for upper-level office/ restaurants premises HK$65 – HK$383 (31 December 2025: HK$65 – HK$436) per month per square foot for ground floor shops	The higher the reversionary rental value, the higher the fair value
			Capitalisation rate	3% – 3.75% (31 December 2025: 3.00% – 3.75%)	The higher the capitalisation rate, the lower the fair value
Completed investment properties (individual units (including commercial, industrial and residential properties) or ground floor retail properties)	1,536,000 (31 December 2025: 1,557,400)	Direct comparison method	Price per square foot	HK$5,900 – HK$70,000 (31 December 2025: HK$6,200 – HK$74,000) per square foot for commercial properties HK$2,100 – HK$8,800 (31 December 2025: HK$2,200 – HK$9,200) per square foot for industrial properties HK$4,400 – HK$20,600 (31 December 2025: HK$4,400 – HK$20,000) per square foot for residential properties	The higher the price per square foot, the higher the fair value

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

9. INVESTMENT PROPERTIES (Continued)

Investment properties held by the Group in the consolidated statement of financial position	Fair value as at 30 June 2026 *HK$'000*	Valuation technique(s)	Significant unobservable input(s)	Range of significant unobservable inputs	Interrelationship between significant unobservable input(s) and fair value measurement
Leased properties					
Leased properties under sublease arrangement by the Group	22,850 (31 December 2025: 28,320)	Income capitalisation method	Reversionary rental value	HK$7 – HK$19 (31 December 2025: HK$7 – HK$19) per month per square foot	The higher the reversionary rental value, the higher the fair value
			Capitalisation rate	3.875% (31 December 2025: 3.75%)	The higher the capitalisation rate, the lower the fair value
Investment properties under re-development	2,010,000 (31 December 2025: 2,110,000)	Residual method	Price per square foot	HK$15,500 (31 December 2025: HK$16,000) per square foot for office premises	The higher the price per square foot, the higher the fair value
				HK$15,700 – HK$25,700 (31 December 2025: HK$16,700 – HK$27,100) per square foot for retail properties	
				HK$6,300 (31 December 2025: HK$6,300) per square foot for industrial properties	
			Estimated construction and other professional costs to completion	HK$2,900 – HK$6,900 (31 December 2025: HK$2,900 – HK$6,900) per square foot	The higher the estimated construction and other professional costs, the lower the fair value
			Estimated profit margin required to hold and develop the investment properties to completion	10% – 15% (31 December 2025: 10% – 15%)	The higher estimated profit margin, the lower the fair value

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

The Group's buildings classified as property, plant and equipment were revalued by an independent qualified professional valuer as at the end of the reporting period. During the six months ended 30 June 2026, revaluation loss of HK$600,000 (30 June 2025: HK$800,000) has been recognised.

During the current interim period, the Group entered into new lease agreements for the use of industrial premises. The Group is required to make fixed monthly payments on the usage of the asset during the contract period. On lease commencement, the Group classified the right-of-use asset as investment properties and the lease liabilities was approximately HK$22,850,000 (30 June 2025: HK$28,320,000).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

11. TRADE AND OTHER RECEIVABLES/LOAN RECEIVABLES

As at 30 June 2026, trade receivables included in trade and other receivables were approximately HK$44,379,000 (31 December 2025: HK$37,992,000). The credit terms of the Group range from 30 to 90 days. The ageing analysis of trade receivables, presented based on the invoice date, was set out below:

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Current assets:		
Trade receivables		
0–30 days	**13,053**	9,118
31–90 days	**8,774**	7,559
91–180 days	**4,939**	3,800
Over 180 days	**17,613**	17,515
Total trade receivables, net	**44,379**	37,992
Loan receivables	**150,831**	152,267
Less: allowance for credit losses	**(141,776)**	(141,776)
Total loan receivables, net	**9,055**	10,491
Other receivables, utility deposits and prepayment	**140,286**	78,247
Total trade and other receivables categorised as current assets	**193,720**	126,730
Non-current assets:		
Loan receivables	**156,147**	169,968
	349,867	296,698

The Directors consider that the fair values of trade and other receivables which are expected to be recovered within one year are not materially different from their carrying amounts due to short maturity periods on their inception.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

12. CASH AND CASH EQUIVALENTS/SHORT-TERM BANK DEPOSITS

The cash and bank balances of the Group was summarised as follows:

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Short-term bank deposits with original maturity over three months	**890,969**	752,115
Cash and cash equivalents	**547,283**	586,870
Total cash and bank balances	**1,438,252**	1,338,985

Cash and cash equivalents earn interest at floating rates based on the daily bank deposit rates.

Included in cash and cash equivalents of the Group is approximately HK$62,668,000 (31 December 2025: HK$108,910,000) of bank balances denominated in Renminbi placed with banks in the Mainland China.

13. TRADE AND OTHER PAYABLES

As at 30 June 2026, trade payables included in trade and other payables were approximately HK$25,594,000 (31 December 2025: HK$24,373,000). The Group was granted credit periods by its suppliers ranging from 30 to 60 days. The ageing analysis of trade payables, presented based on the invoice date, was set out below:

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
0–30 days	**3,394**	5,341
31–90 days	**2,499**	761
Over 90 days	**19,701**	18,271
Total trade payables	**25,594**	24,373
Other payables	**484,396**	505,010
	509,990	529,383

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

14. BORROWINGS

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
Current liabilities		
Bank loans — secured	**64,074**	64,074
Non-current liabilities		
Bank loans — secured	**1,214,724**	1,261,761
	1,278,798	1,325,835

At the end of the reporting periods, the maturity analysis of the Group's borrowings is stated as follows:

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
Carrying amount of bank loans repayable based on the scheduled repayment dates set out in the loan agreements:		
Within one year	**64,074**	64,074
More than one year, but not exceeding two years	**863,724**	493,493
More than two years, but not exceeding five years	**351,000**	768,268
Total bank loans	**1,278,798**	1,325,835
Carrying amount of bank loans matured within one year or those contain a repayment on demand clause (shown under current liabilities)	**(64,074)**	(64,074)
Amount shown under non-current liabilities	**1,214,724**	1,261,761

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

15. SHARE CAPITAL

There were no movements in the share capital of the Company in the six months ended 30 June 2026.

16. RELATED PARTY TRANSACTIONS

The following transactions with related parties were, in the opinion of the Directors, carried out in the ordinary course of business during the periods:

	Six months ended 30 June	
	2026 (Unaudited) *HK$'000*	2025 (Unaudited) *HK$'000*
Short-lease expense and management fee expense in respect of office premises situated in Guangzhou, the Mainland China *(note (a))*	**90**	117
Short-lease expense for leasing carparking spaces situated in Guangzhou, the Mainland China *(note (b))*	**16**	14
Service income for management and consulting service provided to related parties in the Mainland China *(note (c))*	**(664)**	(621)

Notes:

(a) 2 subsidiaries of the Company entered into a tenancy agreement with related companies, in which 2 executive directors of the Company have interests, for leasing a number of premises situated at Guangzhou, the Mainland China for office purpose.

(b) 2 subsidiaries of the Company entered into tenancy agreements with a related company, in which a close family member of 2 Executive Directors of the Company have interests, for leasing one (30 June 2025: one) carparking space situated in Guangzhou, the Mainland China.

(c) A subsidiary of the Company entered into service agreements with related companies, in which a close family member of the chairman and an Executive Director of the Company have interests for providing management and consultancy services in the Mainland China.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

17. OPERATING LEASING ARRANGEMENTS

The Group leases its investment properties (note 9) under operating lease arrangements with average lease terms of one to six years with an option to renew the lease terms at the expiry date or at dates mutually agreed between the Group and the respective tenants. Certain leases include contingent rentals calculated with reference to turnover of the tenants. As at 30 June 2026, the Group had future aggregate minimum lease receipts under non-cancellable operating leases in respect of investment properties are as follows:

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Within one year	**231,786**	237,909
In the second year	**134,376**	156,206
In the third year	**64,990**	74,369
In the fourth year	**21,566**	37,812
In the fifth year	**2,004**	5,190
	454,722	511,486

金朝陽集團有限公司*
SOUNDWILL HOLDINGS LIMITED

於百慕達註冊成立之有限公司 Incorporated in Bermuda with limited liability
股份代號 Stock Code : 0878

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