Nanyang Holdings Limited

(incorporated in Bermuda with limited liability)

Stock Code: 212

INTERIM REPORT 2026

Contents

This document in both English and Chinese is now available in printed form and on the website of the Company at http://www.nanyangholdingslimited.com.

GROUP FINANCIAL HIGHLIGHTS

	Unaudited Six months ended 30 June **2026** **HK$'000**	 2025 HK$'000	 Variance
Revenue and other income	**141,209**	169,417	(17%)
Profit attributable to equity holders of the Company	**68,715**	27,528	150%
Profit attributable to equity holders of the Company after excluding: – changes in fair value of investment properties and related tax effects	**33,069**	119,226	(72%)
	101,784	146,754	(31%)
Earnings per share	**HK$2.02**	HK$0.81	150%
Earnings per share – after excluding the changes in fair value of investment properties and related tax effects	**HK$3.00**	HK$4.32	(31%)

The Board of Directors of Nanyang Holdings Limited ("the Company") announces that the unaudited Group results for the six months ended 30 June 2026 reported a profit attributable to equity holders of HK$68.7 million (2025: same period profit of HK$27.5 million). The current period's result comprised the dividend receivable from The Shanghai Commercial & Savings Bank, Ltd., in respect of its 2025 earnings of approximately HK$65.6 million (after netting 21% withholding tax); the investment income from financial assets at fair value through profit or loss of approximately HK$3.5 million and net realised and unrealised gains on financial assets at fair value through profit or loss of approximately HK$22.3 million. It also includes the change in fair value of investment properties (including those owned by a joint venture), which is non-cash and unrealised, resulted in a net loss of approximately HK$33.1 million (2025: same period loss of approximately HK$119.2 million). However, if excluding the net effect of the change in fair value of the investment properties (including those owned by a joint venture), the first half of 2026 would have shown a profit attributable to equity holders of HK$101.8 million (2025: same period profit of HK$146.8 million). Earnings per share were HK$2.02 (2025: same period earnings of HK$0.81). However, if the net effect of the change in fair value of the investment properties (including those owned by a joint venture) had been excluded, earnings per share would have been HK$3.0 (2025: same period earnings of HK$4.32). During the period, fair value gains of approximately HK$70.9 million on the financial assets at fair value through other comprehensive income was recorded in the other comprehensive income, as compared to fair value gain of approximately HK$580.6 million in the same period of 2025.

Business Review and Prospects

Real Estate

Hong Kong

Since the beginning of 2026, there were signs of recovery in the Hong Kong property market especially in the residential market area. However, the ample supply of industrial/office space and weak sentiment continued to depress the Kwun Tong area where Nanyang Plaza is situated. Rentals and take up rate at our building continued to be sluggish. Of the 290,000 sq.ft. of I/O space the Group holds, at Nanyang Plaza, 79.4% is leased.

Shanghai

Since resolving the outstanding issue with our Chinese Partner, operation at Shanghai Sung Nan Textile Co. Ltd., (of which we hold 64.68%), has been running smoothly. It is almost fully leased. We look forward to its continued contribution to the Group's earnings.

Shenzhen

Southern Textile Company Limited, the joint venture of which the Group owns 45%, continued to perform satisfactorily. Its main asset, a factory building, is fully leased to third parties.

Business Review and Prospects *(Continued)*

Financial Investments

In the first half of 2026, the global environment (world economy) faced heightened uncertainty due to geopolitical tensions, conflict in the Middle East, higher oil prices and rising inflation. In spite of the market disruption in March, the equity markets with the exception of the Hong Kong markets, performed satisfactorily. During this period, we increased European and emerging market equities. For the six months ended 30 June 2026, the investment portfolios, including cash held in the portfolios, increased by approximately 4.9%. Financial assets at fair value through profit or loss, classified as current assets, totalled HK$443.9 million. This represented approximately 9.2% of the total assets of the Group. The Group recorded net realised and unrealised fair value gains of HK$22.3 million or equivalent to approximately US$2.9 million and investment income of HK$3.5 million or equivalent to approximately US$0.4 million. Equities comprised approximately 74.6% (of which U.S. 49.4%; European 21.6%; Japanese 3.0%; Asia ex-Japan and others 7.8% and Emerging Markets 18.2%), bonds 13.6% (of which U.S. 71.3%; European 14.0%; Emerging Markets and others 14.7%), commodities 6.5% and cash 5.3%.

Since the beginning of July, the path of a peace deal between the U.S. and Iran proved to be bumpy. This caused oil prices and inflation to fluctuate and injected uncertainty especially to interest rates. Recent figures showed the Chinese economy reported stronger than expected trade performance, but lower than expected economic growth. Measures would probably be unveiled by the PRC government to support domestic consumption. As at 13 August 2026, the latest practicable date, the portfolios increased year-to-date by approximately 8.2% and the value including cash held in the portfolios, stood at approximately US$61.9 million or HK$482.8 million.

Going forward, with the forthcoming U.S. midterm elections, continuing geopolitical tensions and the next phase of the Artificial Intelligence (AI) investment boom, we expect markets to remain volatile. We remain vigilant and committed to navigating the remainder of 2026 with prudence.

Business Review and Prospects *(Continued)*

Financial Investments *(Continued)*

Significant Investment – Investment in The Shanghai Commercial & Savings Bank, Ltd. ("SCSB")

The Group has an investment in a licensed bank incorporated in Taiwan, The Shanghai Commercial & Savings Bank, Ltd. ("SCSB"). The shares are listed on the Taiwan Stock Exchange Corporation (Stock Code: 5876). The Group holds a total of 190,585,095 SCSB shares representing approximately 3.9% of the issued share capital of SCSB. SCSB's share price at 30 June 2026 was NT$42.7 (31/12/2025: NT$40.6), an increase of 5.2%. This investment of HK$1,969.4 million has been classified under non-current assets as financial assets at fair value through other comprehensive income (representing approximately 41.0% of the total assets of the Group). There is no intention to dispose of the investment within 12 months of this report date. The Group will receive a net cash dividend of approximately HK$65.6 million from SCSB's 2025 earnings (2025: received approximately HK$72.2 million from SCSB's 2024 earnings). Although the dividend declared in New Taiwan Dollar (NT$) remains the same as in previous year of NT$1.8 per share, the net cash dividend has decreased due to a 9% weakening of the NT$.

Presently SCSB has 79 branches in Taiwan and one branch each in Hong Kong, Vietnam, Singapore and Wuxi, China. They also have four representative offices, in Jakarta Indonesia, Bangkok Thailand, Phnom Penh Cambodia and Bac Ninh Vietnam. SCSB holds a 57.6% interest in Shanghai Commercial Bank Limited ("SCB") in Hong Kong. SCB has 42 branches in Hong Kong, three branches in China and four branches overseas. The unaudited net profit attributable to owners of SCSB for the period ended 31 March 2026 was approximately NT$5,109.0 million (2025 same period: unaudited net profit of NT$4,665.0 million). Total equity attributable to owners of SCSB at 31 March 2026 was approximately NT$208,453.1 million (31/12/2025 as restated: approximately NT$204,980.7 million). (These figures were extracted from SCSB's website at http://www.scsb.com.tw.)

Financial Position

The Group's investment properties with an aggregate carrying value of HK$1,752 million (31/12/2025: HK$1,772 million) have been mortgaged to a bank to secure general banking facilities. As at 30 June 2026 and 31 December 2025, no bank facilities were utilized. Debt to equity ratio decreased from 0.14% as at 31 December 2025 to 0.11% as at 30 June 2026. Debt was represented by lease liabilities and equity was total equity of the Group. At the end of the period, the Group had net current assets of HK$791.7 million (31/12/2025: HK$729.8 million).

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any shares of the Company during the period.

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2026, the interests and short positions of the Directors and chief executive in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept under Section 352 of the SFO and so far as is known to the Directors, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited 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 of Hong Kong Limited (the "Listing Rules") were as follows:

	Shares of HK$0.10 each of the Company				
Name	Personal interests	Family interests	Corporate interests	Total	% of issued share capital
Hung Ching Yung (Note 1)	4,401,595	147,854	–	4,549,449	13.39%
Lincoln C. K. Yung	2,440,000	10,000	5,500,000 (Note 2)	7,950,000	23.40%
John Con-sing Yung	2,998,677	37,000	5,500,000 (Note 2)	8,535,677	25.13%
Yung Ka Sing, Kathryn	3,218,818	–	–	3,218,818	9.48%

Notes:

1. Mr. Hung Ching Yung (the then Executive Director and Managing Director) deceased on 3 March 2022.

2. As stated below, Mr. Lincoln C.K. Yung and Mr. John Con-sing Yung are taken to be interested in the same 5,500,000 shares owned by a substantial shareholder, Tankard Shipping Co. Inc., pursuant to the SFO.

During the period, the Company has not granted to any Directors, chief executive or their respective spouses or children under 18 years of age any rights to subscribe for shares of the Company and its associated corporations.

At no time during the period was the Company, its subsidiaries or its associated corporations a party to any arrangements to enable the Directors or chief executive or any of their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any of its associated corporations.

Interests and Short Positions of Substantial Shareholders in Shares and Underlying Shares

As at 30 June 2026, the Register of Substantial Shareholders' Interests and Short Positions maintained under Section 336 of the SFO shows that the following party, other than the Directors as disclosed above, was interested in 5 per cent or more of the issued share capital of the Company:

	Number of shares	% of issued share capital
Tankard Shipping Co. Inc.	5,500,000 (Note)	16.19%

Note: Tankard Shipping Co. Inc. was owned as to 90% and 10% by Mr. Lincoln C. K. Yung and Mr. John Con-sing Yung. By virtue of the SFO, each of them was deemed to be interested in the ordinary shares/underlying shares of the Company in which Tankard Shipping Co. Inc. had interest or was deemed to have interest.

Employees

The Group employed 12 employees as at 30 June 2026 (2025: 13). Remuneration is determined by reference to the qualifications and experience of the staff concerned. Salaries and discretionary bonuses are reviewed annually. The Group also provides other benefits including medical cover and provident fund.

On behalf of the Board of Directors, I would like to take this opportunity to thank the entire staff for their contribution to the Group.

Corporate Governance

None of the Directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 June 2026, in compliance with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules.

Code for Dealing in Company's Securities by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules. Having made specific enquiry of all Directors, the Company's Directors confirmed that they have complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2026.

Audit Committee and Review of Results

The Audit Committee of the Company has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls, risk management and financial reporting matters including a review of the Interim condensed consolidated financial statements for the six months ended 30 June 2026 with the management. The unaudited interim financial statements of the Group for the six months ended 30 June 2026 have been reviewed by the Group's external auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditors of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Note	Six months ended 30 June 2026 HK$'000	2025 HK$'000
Revenue	6	**118,912**	131,099
Other income	6	**22,297**	38,318
Revenue and other income	6	**141,209**	169,417
Direct costs		**(10,402)**	(11,437)
Gross profit		**130,807**	157,980
Administrative expenses		**(19,318)**	(18,983)
Other operating (expenses)/income, net		**(435)**	860
Changes in fair value of investment properties		**(31,700)**	(117,000)
Operating profit	7	**79,354**	22,857
Finance income	8	**2,462**	2,491
Finance expense	8	**(130)**	(145)
Share of profit of joint ventures	14	**5,975**	24,976
Profit before income tax		**87,661**	50,179
Income tax expense	9	**(18,946)**	(22,651)
Profit attributable to equity holders of the Company		**68,715**	27,528
Earnings per share (basic and diluted)	10	**HK$2.02**	HK$0.81

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Profit for the period	**68,715**	27,528
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	**4,073**	22,181
Items that may not be reclassified subsequently to profit or loss		
Fair value gains on financial assets at fair value through other comprehensive income	**70,930**	580,600
Other comprehensive income for the period, net of tax	**75,003**	602,781
Total comprehensive income for the period attributable to equity holders of the Company	**143,718**	630,309

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2026

	Note	**30 June 2026 HK$'000**	31 December 2025 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	12	**75**	68
Right-of-use assets		**4,910**	6,420
Investment properties	13	**1,855,600**	1,887,300
Investments in joint ventures	14	**97,726**	99,296
Financial assets at fair value through other comprehensive income	15	**1,975,656**	1,904,725
Non-current financial assets at fair value through profit or loss		**4,437**	5,230
		3,938,404	3,903,039
Current assets			
Trade and other receivables	16	**104,984**	10,944
Financial assets at fair value through profit or loss		**443,895**	516,589
Tax recoverable		**–**	753
Cash and cash equivalents		**325,533**	266,024
		874,412	794,310
Total assets		**4,812,816**	4,697,349
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	17	**3,397**	3,397
Other reserves		**1,521,651**	1,446,648
Retained profits		**3,172,855**	3,148,298
Total equity		**4,697,903**	4,598,343
LIABILITIES			
Non-current liabilities			
Lease liabilities		**1,720**	3,459
Deferred income tax liabilities	18	**28,982**	29,478
Other non-current liability		**1,510**	1,510
		32,212	34,447
Current liabilities			
Trade and other payables	19	**60,561**	61,493
Current income tax liabilities		**18,701**	–
Lease liabilities		**3,439**	3,066
		82,701	64,559
Total liabilities		**114,913**	99,006
Total equity and liabilities		**4,812,816**	4,697,349

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Six months ended 30 June 2026 Attributable to equity holders of the Company			
	Share capital HK$'000	**Other reserves (Note) HK$'000**	**Retained profits HK$'000**	**Total equity HK$'000**
Balance at 1 January 2026	**3,397**	**1,446,648**	**3,148,298**	**4,598,343**
Profit for the period	**–**	**–**	**68,715**	**68,715**
Other comprehensive income for the period	**–**	**75,003**	**–**	**75,003**
Total comprehensive income for the period	**–**	**75,003**	**68,715**	**143,718**
Transactions with owners, recognised directly in equity:				
Dividends relating to 2025 paid in June 2026 (Note 11)	**–**	**–**	**(44,158)**	**(44,158)**
	–	**–**	**(44,158)**	**(44,158)**
Balance at 30 June 2026	**3,397**	**1,521,651**	**3,172,855**	**4,697,903**

	Six months ended 30 June 2025 Attributable to equity holders of the Company			
	Share capital HK$'000	Other reserves (Note) HK$'000	Retained profits HK$'000	Total equity HK$'000
Balance at 1 January 2025	3,397	1,299,105	3,238,745	4,541,247
Profit for the period	–	–	27,528	27,528
Other comprehensive income for the period	–	602,781	–	602,781
Total comprehensive income for the period	–	602,781	27,528	630,309
Transactions with owners, recognised directly in equity:				
Dividends relating to 2024 paid in June 2025 (Note 11)	–	–	(37,365)	(37,365)
	–	–	(37,365)	(37,365)
Balance at 30 June 2025	3,397	1,901,886	3,228,908	5,134,191

Note: Other reserves mainly represent financial assets at fair value through other comprehensive income reserve.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Net cash inflows from operating activities	**102,597**	8,429
Net cash inflows from investing activities	**2,436**	2,965
Cash flows from financing activities		
Dividends paid	**(44,158)**	(37,365)
Principal elements of lease payments	**(1,366)**	(1,355)
Decrease in pledged bank deposits	**–**	1,535
Net cash outflows from financing activities	**(45,524)**	(37,185)
Net increase/(decrease) in cash and cash equivalents	**59,509**	(25,791)
Cash and cash equivalents at 1 January	**266,024**	205,359
Currency translation difference	**–**	2,669
Cash and cash equivalents at 30 June	**325,533**	182,237

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 General information

Nanyang Holdings Limited ("the Company") is a limited liability company incorporated in Bermuda. The address of its office in Hong Kong is Room 1808 St George's Building, 2 Ice House Street, Central, Hong Kong.

The Company is listed on The Stock Exchange of Hong Kong Limited.

The Company and its subsidiaries (together "the Group") are engaged in property investment and investment holding and trading.

This condensed consolidated interim financial information ("Interim Financial Information") is presented in thousands of Hong Kong dollars (HK$'000), unless otherwise stated. This Interim Financial Information has been approved for issue by the Board of Directors on 19 August 2026.

2 Basis of preparation

This Interim Financial Information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

This Interim Financial Information should be read in conjunction with the 2025 annual financial statements, which have been prepared in accordance with HKFRS Accounting Standards.

3 Accounting policies

The accounting policies and methods of computation used in the preparation of the Interim Financial Information are consistent with those used in the 2025 annual financial statements, except for the adoption of amendments to standards effective for the year ending 31 December 2026.

(a) *Amendments to standards that are effective in current accounting period*

During the period ended 30 June 2026, the Group has adopted the following amendments to standards which are mandatory for accounting periods beginning on 1 January 2026:

Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11

The adoption of amendments to standards does not have any significant change to the accounting policies or any significant effect on the results and financial position of the Group.

3 Accounting policies *(Continued)*

(b) New standards and amendments to standards and interpretation that are not yet effective and have not been early adopted by the Group

The following new standards and amendments to standards and interpretation have been published which are mandatory for the Group's accounting periods beginning on or after 1 January 2027 or in later periods but have not been early adopted by the Group:

HKFRS 18	Presentation and Disclosure in Financial Statements(1)
HKFRS 19	Subsidiaries without Public Accountability Disclosures(1)
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause(1)
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency(1)
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture(2)

(1) Effective for accounting periods beginning on or after 1 January 2027

(2) Effective date is to be determined

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

Except for the above mentioned changes in the presentation and disclosure in HKFRS 18, the Group has already commenced an assessment of the impact of the remaining new standards and amendments to standards and interpretation and does not expect to have any significant impact to the results of operations and financial position of the Group.

4 Financial risk management

The Group's investment activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. The types of financial risk to which the Group is exposed are market risk (including equity price risk, foreign currency risk and interest rate risk), credit and counterparty risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects it may have on the Group's financial performance.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2025.

There have been no changes in any risk management policies since the year end.

Fair value estimation

The table below analyses financial instruments carried at fair value, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- 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 assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2026. See Note 13 for disclosures of the investment properties that are measured at fair value.

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
Assets				
Non-current financial assets at fair value through profit or loss	–	–	4,437	4,437
Current financial assets at fair value through profit or loss	246,251	185,557	12,087	443,895
Financial assets at fair value through other comprehensive income	1,975,656	–	–	1,975,656
Total assets	2,221,907	185,557	16,524	2,423,988

4 Financial risk management *(Continued)*

Fair value estimation *(Continued)*

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2025.

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
Assets				
Non-current financial assets at fair value through profit or loss	–	–	5,230	5,230
Current financial assets at fair value through profit or loss	372,089	133,077	11,423	516,589
Financial assets at fair value through other comprehensive income	1,904,725	–	–	1,904,725
Total assets	2,276,814	133,077	16,653	2,426,544

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between any level during the period.

5 Critical accounting estimates and judgements

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

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

6 Revenue and other income and segment information

Revenue mainly comprises rental income and management fee income from investment properties, investment income from financial assets at fair value through profit or loss and dividend income from financial assets at fair value through other comprehensive income. Other income represents net realised and unrealised gains on financial assets at fair value through profit or loss. Revenue and other income recognised during the period comprises the following:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Revenue		
Gross rental income from investment properties	**26,656**	30,589
Investment income from financial assets at fair value through profit or loss	**3,478**	2,698
Dividend income from financial assets at fair value through other comprehensive income	**83,019**	91,837
Management fee income from investment properties	**5,600**	5,812
Other	**159**	163
	118,912	131,099
Other income		
Net realised and unrealised gains on financial assets at fair value through profit or loss	**22,297**	38,318
Revenue and other income	**141,209**	169,417

The Group is organised on a worldwide basis into two main business segments:

Real estate	–	investment in and leasing of industrial/office premises
Financial investments	–	holding and trading of investment securities

There are no sales or other transactions between the business segments.

6 Revenue and other income and segment information *(Continued)*

The segment results for the six months ended 30 June 2026 are as follows:

	Real estate HK$'000	**Financial investments HK$'000**	**Total HK$'000**
Revenue and other income	**32,256**	**108,953**	**141,209**
Segment result	**(8,520)**	**107,192**	**98,672**
Corporate expenses			**(19,318)**
Finance income			**2,462**
Finance expense			**(130)**
Share of profit of joint ventures	**5,975**	**–**	**5,975**
Profit before income tax			**87,661**
Income tax expense			**(18,946)**
Profit attributable to equity holders of the Company			**68,715**
Other items			
Direct costs (Note)	**(9,312)**	**(1,090)**	**(10,402)**
Depreciation of right-of-use assets	**–**	**–**	**(1,510)**
Depreciation of property, plant and equipment	**(6)**	**(13)**	**(19)**
Fair value losses on investment properties	**(31,700)**	**–**	**(31,700)**

The segment results for the six months ended 30 June 2025 are as follows:

	Real estate HK$'000	Financial investments HK$'000	Total HK$'000
Revenue and other income	36,401	133,016	169,417
Segment result	(89,375)	131,215	41,840
Corporate expenses			(18,983)
Finance income			2,491
Finance expense			(145)
Share of profit of joint ventures	24,976	–	24,976
Profit before income tax			50,179
Income tax expense			(22,651)
Profit attributable to equity holders of the Company			27,528
Other items			
Direct costs (Note)	(10,211)	(1,226)	(11,437)
Depreciation of right-of-use assets	–	–	(1,569)
Depreciation of property, plant and equipment	(7)	(16)	(23)
Fair value losses on investment properties	(117,000)	–	(117,000)

Note: Direct costs mainly include property management expenses and financial investment management fee.

6 Revenue and other income and segment information *(Continued)*

Reportable segments' assets and liabilities are reconciled to total assets and liabilities below. Segment assets exclude investments in joint ventures and right-of-use assets and segment liabilities exclude deferred income tax liabilities, lease liabilities and other non-current liability which are managed on a central basis.

The segment assets and liabilities as at 30 June 2026 are as follows:

	Real estate HK$'000	**Financial investments HK$'000**	**Total HK$'000**
Segment assets	**1,855,665**	**2,854,515**	**4,710,180**
Right-of-use assets			**4,910**
Investments in joint ventures	**97,726**	**–**	**97,726**
			4,812,816
Segment liabilities	**52,207**	**26,950**	**79,157**
Unallocated liabilities			**35,756**
			114,913

The segment assets and liabilities as at 31 December 2025 are as follows:

	Real estate HK$'000	Financial investments HK$'000	Total HK$'000
Segment assets	1,887,345	2,704,288	4,591,633
Right-of-use assets			6,420
Investments in joint ventures	99,296	–	99,296
			4,697,349
Segment liabilities	54,837	6,656	61,493
Unallocated liabilities			37,513
			99,006

6 Revenue and other income and segment information *(Continued)*

The Company is incorporated in Bermuda and is domiciled in Hong Kong. The Group's revenue and other income from Hong Kong and from other countries for the period ended 30 June is analysed as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Hong Kong	**32,169**	39,106
United States of America	**2,989**	21,122
Europe	**22,735**	15,847
Taiwan	**83,019**	91,355
Other countries	**297**	1,987
	141,209	169,417

At 30 June 2026, the total of non-current assets other than financial instruments located/operated in Hong Kong and in Chinese Mainland are as follows:

	30 June 2026	31 December 2025
	HK$'000	HK$'000
Hong Kong	**1,860,575**	1,893,774
Chinese Mainland	**97,736**	99,310
	1,958,311	1,993,084

7 Operating profit

Operating profit is stated after charging the following:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Depreciation of property, plant and equipment	**19**	23
Depreciation of right-of-use assets	**1,510**	1,569
Employee benefit expense (including directors' emoluments)	**13,092**	12,523
Management fee expense in respect of investment properties	**7,141**	7,141

8 Finance income/(expense)

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Finance income		
Bank interest income	**2,462**	2,491
Finance expense		
Interest expense on lease liabilities and other non-current liability	**(130)**	(145)

9 Income tax expense

Hong Kong profits tax has been provided at 16.5% (2025: 16.5%) of the estimated assessable profits for the period. Withholding tax on dividend income from overseas investments has been calculated at the rates of taxation prevailing in the countries in which the investees operate.

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Current income tax		
– Hong Kong profits tax	**846**	1,645
– Withholding tax	**18,596**	20,704
Deferred income tax	**(496)**	302
	18,946	22,651

10 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2026	2025
Earnings (HK$'000)		
Profit attributable to equity holders of the Company	**68,715**	27,528
Number of shares (thousands)		
Weighted average number of ordinary shares in issue	**33,968**	33,968
Earnings per share (HK$)		
Basic and diluted (Note)	**2.02**	0.81

Note: The Company has no dilutive potential ordinary shares and diluted earnings per share are equal to basic earnings per share.

11 Dividends

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
2025 final dividend paid of HK$0.70 (2025: 2024 final dividend paid of HK$0.70) per share	**23,778**	23,778
2025 special dividend paid of HK$0.60 (2025: 2024 special dividend paid of HK$0.40) per share	**20,380**	13,587
	44,158	37,365

The Directors have not declared an interim dividend for the six months ended 30 June 2026 (2025: nil).

12 Property, plant and equipment

	30 June 2026	31 December 2025
	HK$'000	HK$'000
Property, plant and equipment	**75**	68

Movement during the period is set out below:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Net book amount as at 1 January	**68**	71
Additions	**26**	8
Depreciation	**(19)**	(23)
Net book amount as at 30 June	**75**	56

13 Investment properties

	30 June 2026	31 December 2025
	HK$'000	HK$'000
Investment properties	**1,855,600**	1,887,300

Movement during the period is set out below:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
At fair value		
Balance at 1 January	**1,887,300**	2,147,000
Fair value changes	**(31,700)**	(117,000)
Balance at 30 June	**1,855,600**	2,030,000

13 Investment properties *(Continued)*

The Group's investment properties with an aggregate carrying value of HK$1,752,000,000 (31 December 2025: HK$1,772,000,000) have been mortgaged to a bank to secure general banking facilities. As at 30 June 2026 and 31 December 2025, no bank facilities were utilised.

Valuation processes of the Group

The basis of the valuation of investment properties is fair value, being the amount for which the property could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases. The investment properties were revalued by Prudential Surveyors (Hong Kong) Limited, an independent qualified valuer not related to the Group, who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued, at 30 June 2026. For all investment properties, their current use equates to the highest and best use.

The Group's finance department reviews the valuations performed by the independent valuer for financial reporting purposes. This department reports directly to the senior management. Discussions of valuation processes and results are held between the management and valuer at least once every six months, in line with the Group's interim and annual reporting dates.

At each financial reporting dates the finance department:

- Verifies all major inputs to the independent valuation report;
- Assesses property valuations movements when compared to the prior period valuation report;
- Holds discussions with the independent valuer.

Valuation techniques

Fair value measurements using significant unobservable inputs

Fair values of completed industrial and commercial properties in Hong Kong are generally derived using direct comparison method. Direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have been 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.

As at 30 June 2026, all investment properties are included in level 3 fair value hierarchy.

There were no changes in valuation techniques during the period and there were no transfers between fair value hierarchies during the period.

13 Investment properties *(Continued)*

Significant inputs used to determine fair value

Information about fair value measurements using significant unobservable inputs for the Group's principal investment properties

Descriptions	Fair value 30 June 2026 HK$'000	31 December 2025 HK$'000	Valuation techniques	Unobservable inputs	Relationship of unobservable inputs of fair value
Commercial	**1,782,100**	1,802,300	Direct comparison	Average unit rate: HK$4,738 – HK$8,096 per square feet (31 December 2025: HK$4,844 – HK$8,150 per square feet)	The higher the average unit rates, the higher the fair value
				Carpark: HK$1,820,000 – HK$2,560,000 per unit (31 December 2025: HK$1,770,000 – HK$2,490,000 per unit)	
Industrial	**73,500**	85,000	Direct comparison	Average unit rate: HK$1,709 per square feet (31 December 2025: HK$1,989 per square feet)	The higher the average unit rates, the higher the fair value
				Carpark: HK$760,000 – HK$920,000 per unit (31 December 2025: HK$730,000 – HK$870,000 per unit)	
	1,855,600	1,887,300			

At 30 June 2026, sensitivity analysis has been performed to assess the impact on the valuations of changes in the unobservable inputs for average unit rates. The results are shown in the table below:

	Change in assumption %	Increase/(decrease) in valuation Increase in assumption HK$'000	Decrease in assumption HK$'000
Average unit rates	5	92,780	(92,780)

14 Investments in joint ventures

In respect of a joint venture of the Group, Shanghai Sung Nan Textile Co., Ltd. ("Sung Nan"). An updated property certificate was obtained during the six months ended 30 June 2025. According to the external lawyer, the obtaining of the updated property certificate indicates the joint venture has the right to continue to use the properties and to entitle to the economics benefits from the properties. Accordingly, the Group accounted for its share of the result of the joint venture from 1 June 2022 to 30 June 2025 amounting to HK$24.8 million in the condensed consolidated income statements for the six months ended 30 June 2025.

15 Financial assets at fair value through other comprehensive income

The financial assets at fair value through other comprehensive income are primarily the Group's investment in The Shanghai Commercial & Savings Bank, Ltd. ("SCSB"), a licensed bank in Taiwan and whose shares are listed on the Taiwan Stock Exchange, representing approximately 3.9% of the total issued share capital of SCSB, which is stated at fair value.

16 Trade and other receivables

	30 June 2026 HK$'000	31 December 2025 HK$'000
Trade receivables (Note a)	**69**	3
Other receivables, prepayments and deposits	**10,061**	10,525
Dividend receivables	**94,637**	–
Amounts due from joint ventures (Note b)	**217**	416
	104,984	10,944

Notes:

(a) The Group does not grant any credit period to its customers. At 30 June 2026, the aging analysis of the trade receivables is as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Within 30 days	**69**	3

(b) The amounts due from joint ventures are unsecured, interest-free and repayable on demand.

17 Share capital

	Number of shares	Amount HK$'000
Ordinary share, issued and fully paid:		
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	**33,967,738**	**3,397**

18 Deferred income tax

Deferred income tax is calculated in full on temporary differences under the liability method.

	30 June 2026 HK$'000	31 December 2025 HK$'000
Deferred income tax liabilities		
– to be settled after more than 12 months	**(28,982)**	(29,478)

The movement on the deferred income tax liabilities is as follows:

	Accelerated tax depreciation	
	30 June 2026 HK$'000	31 December 2025 HK$'000
Balance at 1 January	**(29,478)**	(28,626)
Credited/(charged) to the consolidated income statement (Note 9)	**496**	(852)
Balance at 30 June/31 December	**(28,982)**	(29,478)

Deferred income tax assets are recognised for tax losses carried forwards to the extent that the realisation of the related tax benefit through future taxable profit is probable. The Group did not recognise deferred income tax assets of HK$55,000 (31 December 2025: HK$55,000) in respect of tax losses amounting to HK$334,000 (31 December 2025: HK$334,000). These tax losses have no expiry date.

19 Trade and other payables

	30 June 2026 HK$'000	31 December 2025 HK$'000
Trade payables	**2,922**	2,857
Rental and management fee deposits	**19,023**	19,643
Other payables and accruals	**38,616**	38,993
	60,561	61,493

At 30 June 2026, the aging analysis of trade payables is as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Within 30 days	**2,922**	2,857

20 Related party transactions

In addition to the related party information and transactions disclosed elsewhere in the condensed consolidated interim financial information, the following is a summary of significant related party transactions entered into the ordinary course of business between the Group and its related parties during the period.

(a) Key management compensation

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Salaries and other employee benefits	**8,735**	8,523
Post-employment benefits	**36**	36
	8,771	8,559

(b) Related party balances

	30 June 2026 HK$'000	31 December 2025 HK$'000
Amounts due from joint ventures (Note 16)	**217**	416

On behalf of the Board

Nicholas Timothy James Colfer
Chairman

Hong Kong, 19 August 2026