海天地悅旅集團有限公司
S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1832

INTERIM REPORT 2026

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In case of any inconsistency between the English version and the Chinese version of this interim report, the English version shall prevail.

Corporate Information

Board of Directors

Executive Directors

Dr. TAN Henry, SBS, JP
(Vice Chairman and CEO)
Mr. CHIU George
Mrs. SU TAN Jennifer Sze Tink
Ms. CHEUNG Pik Shan Bonnie

Non-Executive Directors

Dr. TAN Siu Lin, GBS *(Chairman)*
Mr. TAN Willie

Independent Non-Executive Directors

Mr. CHAN Leung Choi Albert
Mr. MA Andrew Chiu Cheung
Mr. WONG Chun Tat, JP

Audit Committee

Mr. MA Andrew Chiu Cheung *(Chairman)*
Mr. CHAN Leung Choi Albert
Mr. WONG Chun Tat, JP

Remuneration Committee

Mr. CHAN Leung Choi Albert *(Chairman)*
Mr. WONG Chun Tat, JP
Dr. TAN Henry, SBS, JP

Nomination Committee

Mr. WONG Chun Tat, JP *(Chairman)*
Mr. CHAN Leung Choi Albert
Ms. CHEUNG Pik Shan Bonnie

Chairman and Non-Executive Director

Dr. TAN Siu Lin, GBS

Company Secretary

Ms. CHEUNG Pik Shan Bonnie

Authorized Representatives

(for the purpose of the Listing Rules)
Dr. TAN Henry, SBS, JP
Ms. CHEUNG Pik Shan Bonnie

Legal Advisers to our Company

As to Hong Kong laws
Deacons
5th Floor
Alexandra House
18 Chater Road
Central, Hong Kong

As to CNMI and Guam laws
Blair Sterling Johnson & Martinez, P.C.
238 Archbishop Flores Street
Suite 1008
Hagåtña Guam
96910-5205

Auditor

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance
27th Floor, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

Corporate Information

Registered Office

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Corporate Headquarters and Principal Place of Business Registered under Part 16 of the Companies Ordinance

5/F, Nanyang Plaza
57 Hung To Road
Kwun Tong, Kowloon
Hong Kong

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited
Bank of Hawaii, Hagatna Branch
Bank of Hawaii, Gualo Rai Branch
First Hawaiian Bank, Gualo Rai Branch

Principal Share Registrar and Transfer Office

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
17th Floor, Far East Finance Centre
16 Harcourt Road
Hong Kong

Share Listing

The Stock Exchange of Hong Kong Limited
(Stock Code: 1832)

Website

www.saileisuregroup.com

Independent Review Report

Ernst & Young
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Quarry Bay, Hong Kong

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TO THE BOARD OF DIRECTORS OF S.A.I. LEISURE GROUP COMPANY LIMITED
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 6 to 42, which comprises the condensed consolidated statement of financial position of S.A.I. Leisure Group Company Limited (the "**Company**") and its subsidiaries (together, the "**Group**") as at June 30, 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("**HKAS 34**") as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

Independent Review Report

CONCLUSION

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2.1 to the condensed consolidated interim financial information which indicates that the Group had net current liabilities of US$42,317,000 as at June 30, 2026 and incurred a net loss of US$8,332,000 for the six-month period then ended. Included in its current liabilities as at June 30, 2026 were an interest-bearing term loan of US$33,050,000 and a revolving loan of US$5,000,000, both of which contain repayable on demand clause, and its cash and cash equivalents amounted to approximately US$3,498,000 as at June 30, 2026. These conditions, along with other matters as set forth in note 2.1 to the condensed consolidated interim financial information, indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

Ernst & Young
Certified Public Accountants
Hong Kong

August 28, 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended June 30, 2026

	Note	For the six months ended June 30, 2026 US$'000 (Unaudited)	2025 US$'000 (Unaudited)
Revenue	3	**23,505**	21,062
Cost of inventories sold		**(1,522)**	(1,883)
Food and beverage costs		**(2,024)**	(1,424)
Employee benefit expenses		**(7,845)**	(7,357)
Utilities, repairs and maintenance		**(3,230)**	(3,375)
Other operating costs		**(14,642)**	(14,046)
Other gains, net	4	**1**	72
Other income/(expense)		**57**	(135)
Operating loss		**(5,700)**	(7,086)
Finance income	5	**18**	—
Finance costs	5	**(2,650)**	(2,633)
Finance costs, net	5	**(2,632)**	(2,633)
Loss before tax	6	**(8,332)**	(9,719)
Income tax	7	**–**	—
Loss for the period and total comprehensive loss for the period		**(8,332)**	(9,719)
Loss and total comprehensive loss attributable to:			
Owners of the Company		**(8,211)**	(9,590)
Non-controlling interests		**(121)**	(129)
		(8,332)	(9,719)
Loss per share attributable to owners of the Company			
— Basic and diluted (US cents)	8	**(2.3)**	(2.7)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

As at June 30, 2026

	Note	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	10	**105,099**	107,456
Investment properties	11	**325**	332
Intangible assets	12	**8**	17
Deferred tax assets		**6,583**	6,583
Prepayments and deposits	15	**1,063**	759
Total non-current assets		**113,078**	115,147
Current assets			
Inventories	13	**2,328**	2,616
Trade receivables	14	**2,151**	1,818
Prepayments, deposits and other receivables	15	**1,814**	2,087
Amounts due from related parties	20(a)	**37**	252
Income tax recoverable		**2,549**	2,549
Cash and cash equivalents		**3,498**	3,566
Total current assets		**12,377**	12,888
Total assets		**125,455**	128,035
EQUITY			
Equity attributable to owners of the Company			
Issued share capital	16	**461**	461
Share premium	16	**38,122**	38,122
Perpetual loans	19	**15,000**	—
Capital reserve		**28,665**	28,854
Other reserve		**4,836**	4,836
Accumulated losses		**(62,612)**	(54,401)
		24,472	17,872
Non-controlling interests		**(855)**	(734)
Total equity		**23,617**	17,138

Condensed Consolidated Statement of Financial Position

As at June 30, 2026

	Note	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
LIABILITIES			
Non-current liabilities			
Other borrowings	19	**30,260**	42,483
Lease liabilities		**16,884**	15,276
Total non-current liabilities		**47,144**	57,759
Current liabilities			
Trade and other payables	17	**12,999**	10,646
Bank borrowings	18	**38,050**	40,200
Other borrowings	19	**2,211**	1,253
Lease liabilities		**1,128**	569
Amounts due to related parties	20(a)	**269**	433
Income tax payable		**37**	37
Total current liabilities		**54,694**	53,138
Total liabilities		**101,838**	110,897
Total equity and liabilities		**125,455**	128,035

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2026

	Attributable to owners of the Company								
	Issued share capital US$'000 (Note 16)	Share premium US$'000 (Note 16)	Perpetual loans US$'000 (Note 19)	Capital reserve US$'000	Other reserve US$'000	Accumulated losses US$'000	Subtotal US$'000	Non-controlling interests US$'000	Total US$'000
(Unaudited) At January 1, 2025	461	38,122	–	28,854	4,836	(37,822)	34,451	(473)	33,978
Loss for the period and total comprehensive loss for the period	–	–	–	–	–	(9,590)	(9,590)	(129)	(9,719)
At June 30, 2025	461	38,122	–	28,854	4,836	(47,412)	24,861	(602)	24,259
(Unaudited) At January 1, 2026	**461**	**38,122**	**–**	**28,854**	**4,836**	**(54,401)**	**17,872**	**(734)**	**17,138**
Conversion of shareholder's loan to perpetual loans	**–**	**–**	**15,000**	**(189)**	**–**	**–**	**14,811**	**–**	**14,811**
Loss for the period and total comprehensive loss for the period	**–**	**–**	**–**	**–**	**–**	**(8,211)**	**(8,211)**	**(121)**	**(8,332)**
At June 30, 2026	**461**	**38,122**	**15,000**	**28,665**	**4,836**	**(62,612)**	**24,472**	**(855)**	**23,617**

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2026

	For the six months ended June 30,	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Net cash flows generated from/(used in) operating activities	**1,986**	(1,305)
Cash flows from investing activities		
Purchases of property, plant and equipment	**(242)**	(610)
Additions to intangible asset	**—**	(3)
Proceeds from disposal of property, plant and equipment	**—**	73
Net cash flows used in investing activities	**(242)**	(540)
Cash flows from financing activities		
Repayment of bank loans	**(2,150)**	(2,150)
New other loans	**3,450**	5,700
Repayment of other loans	**(900)**	—
Principal portion of lease payments	**(582)**	(424)
Interest paid	**(1,630)**	(2,010)
Net cash flows (used in)/generated from financing activities	**(1,812)**	1,116
Net decrease in cash and cash equivalents	**(68)**	(729)
Cash and cash equivalents at beginning of period	**3,566**	3,192
Cash and cash equivalents at end of period	**3,498**	2,463
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**3,498**	2,463

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Condensed Consolidated Interim Financial Information

1 GENERAL INFORMATION

S.A.I. Leisure Group Company Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and its principal place of business is at 5th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong.

The Company is an investment holding company. During the reporting period, the Company and its subsidiaries (together, the "**Group**") were principally engaged in (i) hotels and resorts operations in Saipan and Guam, (ii) travel retail business of luxury and leisure clothing and accessories in Guam and Hawaii and (iii) provision of destination services in Saipan and Guam.

In the opinion of the directors of the Company (the "**Directors**"), the immediate holding company and intermediate holding company of the Company are THC Leisure Holdings Limited ("**THC Leisure**") and Tan Holdings Corporation ("**Tan Holdings**"), respectively. Dr. Tan Siu Lin and Dr. Tan Henry (the son of Dr. Tan Siu Lin) are ultimate controlling parties.

2.1 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended June 30, 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosure requirements of The Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). This condensed consolidated interim financial information is presented in United States dollars ("**US$**") and all values are rounded to the nearest thousand (US$'000), unless otherwise stated. The condensed consolidated interim financial information has been approved for issue by the board of directors on August 28, 2026.

The unaudited condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended December 31, 2025 which have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) as issued by the HKICPA.

Notes to the Condensed Consolidated Interim Financial Information

2.1 BASIS OF PREPARATION *(Continued)*

Going concern

As at June 30, 2026, the Group had net current liabilities of US$42,317,000 and incurred a net loss of US$8,332,000 for the six-month period then ended. Included in its current liabilities was an interest-bearing term loan of US$33,050,000 and a revolving loan of US$5,000,000, both of which contain repayable on demand clause, for the renovation and upgrade works of hotels in Guam and Saipan, and its cash and cash equivalents amounted to approximately US$3,498,000.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient resources to continue as a going concern. The following plans and measures have been undertaken to mitigate the liquidity pressure and to improve the financial position of the Group:

(i) Pursuant to the terms and conditions of the facilities with a bank, the Group will be subject to certain undertakings including but not limited to financial covenants. The Group closely monitors its compliance with the undertakings and financial covenants of the banking facilities. As at June 30, 2026, the Group complies with financial covenants of the banking facilities in an aggregate amount of US$48,000,000.

   Subsequent to June 30, 2026, the Group has continued active engagement with its principal bank regarding the refinancing of its existing banking facilities. Based on ongoing communications, the Directors understand that the refinancing process is progressing satisfactorily, with the bank indicating no awareness of any material facts or circumstances that would alter the principal commercial terms agreed upon. To support short-term debt service obligations, the Group secured and fully drew down a temporary short-term credit facility of US$7,000,000 subsequent to the reporting date. Furthermore, the Group has funded the Debt Service Reserve Account with the bank, depositing an aggregate amount equivalent to three months of principal and interest repayments. In assessing the Group's operational continuity and going concern status, the Directors have evaluated covenant compliance as of June 30, 2026, the valuation and security coverage of the Group's hotel assets, the strong historical relationship with the bank, and recent formal communications. Consequently, the Directors are not aware of any intention by the bank to withdraw facilities or demand immediate repayment within twelve months from June 30, 2026, and reasonably expect the existing credit facilities to remain available to the Group;

2.1 BASIS OF PREPARATION *(Continued)*

Going concern *(Continued)*

(ii) The Group will continue its efforts to generate sufficient cash flows from operating activities by implementing measures in expediting the collection of outstanding trade receivables, improving sales and containing capital and operating expenditures to retain sufficient working capital for the operations of the Group;

(iii) The Group has obtained shareholder loan facilities from Tan Holdings with an aggregate amount of US$52,700,000, of which US$47,050,000 had been drawn down as at June 30, 2026. On March 30, 2026, the Group entered into a deed of amendment in respect of the repayment terms with Tan Holdings for two out of seven tranches of shareholder loans, with an aggregated principal of US$15,000,000. Under the amended terms, the contractual repayment dates of the relevant loan principals and the related interests were changed from 2029 and 2030, respectively to no fixed maturity, and repayment of both principals and interests shall be made only when determined by the Company. As a result of this amendment, the Company reclassified US$15,000,000 of the utilized shareholder loans as perpetual loans in 2026 in accordance with the amended repayment terms;

(iv) In August 2026, the Group also received a written commitment from Tan Holdings for a standby shareholder loan facility of US$9,000,000. Furthermore, Tan Holdings has committed to providing financial support to enable the Group to meet its liabilities when they fall due in the foreseeable future (being at least twelve months from the date of approval of the condensed consolidated interim financial information). Tan Holdings has undertaken not to demand repayment of the amount due to it by the Group until the Group is in a position to repay without impairing its liquidity and financial position; and

(v) The Group will consider obtaining additional sources of funding as and when needed to enhance its financial position and support the operations of the Group.

Notes to the Condensed Consolidated Interim Financial Information

2.1 BASIS OF PREPARATION *(Continued)*

Going concern *(Continued)*

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from June 30, 2026. In the opinion of the Directors, taking into account the anticipated cash flows to be generated from the Group's operations, the available shareholder loan facilities, the written financial support from Tan Holdings and the above plans and measures, the Group will have sufficient working capital to meet its financial obligations and commitments as and when they fall due for a period of not less than twelve months from June 30, 2026. Accordingly, the Directors consider that it is appropriate to prepare the condensed consolidated interim financial information on a going concern basis.

The Group's ability to continue as a going concern is dependent upon the successful implementation of the above plans and measures, including the continued availability of banking facilities, the continued financial support from Tan Holdings and the Group's ability to generate sufficient operating cash flows. Should the Group be unable to achieve the above plans and measures, adjustments may be required in respect of the carrying values and classification of assets and liabilities. Such adjustments have not been reflected in the unaudited condensed consolidated interim financial information.

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's condensed consolidated interim financial information.

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*
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

2.2 CHANGES IN ACCOUNTING POLICIES *(Continued)*

The nature and impact of the amended HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognized when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognized on the settlement date. The amendments introduce an accounting policy option to derecognize a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the condensed consolidated interim financial information.

(b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the condensed consolidated interim financial information.

(c) *Annual Improvements to HKFRS Accounting Standards — Volume 11* set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the condensed consolidated interim financial information.

3 SEGMENT AND REVENUE INFORMATION

The executive directors of the Company have been identified as the Group's chief operating decision-maker (the "**CODM**"). The CODM has determined the operating segments based on the reports reviewed by them that are used to make strategic decisions and resources allocation. For management purposes, the Group is organized into business units based on their products and services and has three reportable operating segments as follows:

(a) Hotels and resorts: operation of hotels and leasing of commercial premises located within the hotel buildings in Saipan and Guam (the "**Hotels & Resorts Segment**");

(b) Luxury travel retail: sales of luxury and leisure clothing and accessories in retail stores in Guam and Hawaii (the "**Luxury Travel Retail Segment**"); and

(c) Destination services: provision of destination activities including (i) operation of souvenir and convenience stores in Saipan and Guam; (ii) excursion tour operation in Saipan; and (iii) provision of land arrangement and concierge services in Saipan (the "**Destination Services Segment**").

The Group's business activities are conducted predominantly in Saipan, Guam and Hawaii.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that finance income, finance costs as well as corporate and other unallocated expenses are excluded from such measurement.

Segment assets and liabilities information is not disclosed as they are not regularly reviewed by the CODM.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

3 SEGMENT AND REVENUE INFORMATION *(Continued)*

The segment information provided to the Group's CODM for the reportable segments for the six months ended June 30, 2026 and 2025 are as follows:

	For the six months ended June 30,							
	Hotels and resorts		Luxury travel retail		Destination services		Total	
	2026 US$'000 (Unaudited)	2025 US$'000 (Unaudited)	**2026 US$'000 (Unaudited)**	2025 US$'000 (Unaudited)	**2026 US$'000 (Unaudited)**	2025 US$'000 (Unaudited)	**2026 US$'000 (Unaudited)**	2025 US$'000 (Unaudited)
Segment revenue								
Sales to external customers	**20,099**	17,332	**2,771**	3,216	**635**	514	**23,505**	21,062
Intersegment sales	**34**	38	**–**	–	**5**	–	**39**	38
Total segment revenue	**20,133**	17,370	**2,771**	3,216	**640**	514	**23,544**	21,100
Reconciliation:								
Elimination of intersegment sales							**(39)**	(38)
							23,505	21,062
Segment results	**(3,861)**	(5,679)	**(565)**	(580)	**(543)**	(190)	**(4,969)**	(6,449)
Corporate and other unallocated expenses							**(731)**	(637)
Finance income							**18**	–
Finance costs							**(2,650)**	(2,633)
Loss before tax							**(8,332)**	(9,719)
Income tax							**–**	–
Loss for the period							**(8,332)**	(9,719)
Other segment information:								
Depreciation of property, plant and equipment	**4,937**	4,950	**332**	264	**127**	22	**5,396**	5,236
Depreciation of investment properties	**7**	9	**–**	–	**–**	–	**7**	9
Amortization of intangible assets	**8**	12	**–**	1	**1**	1	**9**	14
Provision for obsolete inventories	**–**	–	**18**	3	**–**	–	**18**	3
(Reversal of impairment)/Impairment of trade receivables	**(82)**	–	**–**	–	**7**	–	**(75)**	–
Write-off of other receivables	**–**	132	**–**	–	**–**	–	**–**	132
Capital expenditure*:								
Segment assets	**118**	578	**1**	12	**123**	21	**242**	611
Unallocated assets							**–**	2
							242	613

* Capital expenditure consists of addition of property, plant and equipment, investment properties and intangible assets except right-of-use assets.

Notes to the Condensed Consolidated Interim Financial Information

3 SEGMENT AND REVENUE INFORMATION *(Continued)*

An analysis of revenue is as follows:

	For the six months ended June 30,	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Hotels and resorts operations	**19,966**	17,240
Luxury retail, souvenir and convenience stores operations	**3,306**	3,657
Excursion tours and land arrangement services	**100**	73
	23,372	20,970
Revenue from other sources		
Rental income	**133**	92
	23,505	21,062

3 SEGMENT AND REVENUE INFORMATION *(Continued)*

(a) Disaggregated revenue information

For the six months ended June 30, 2026

Segments	**Hotels and resorts US$'000 (Unaudited)**	**Luxury travel retail US$'000 (Unaudited)**	**Destination services US$'000 (Unaudited)**	**Total US$'000 (Unaudited)**
Types of goods or services				
Revenue from contracts with customers				
– Room charge	**13,998**	**–**	**–**	**13,998**
– Food and beverage	**5,554**	**–**	**–**	**5,554**
– Sale of luxury and leisure clothing and accessories	**–**	**2,771**	**–**	**2,771**
– Sale of souvenirs and others	**–**	**–**	**535**	**535**
– Operating excursion tours and rendering of land arrangement services	**–**	**–**	**100**	**100**
– Other hospitality (Note (i))	**414**	**–**	**–**	**414**
Total revenue from contracts with customers	**19,966**	**2,771**	**635**	**23,372**
Revenue from other sources				
– Rental income (Note (ii))	**133**	**–**	**–**	**133**
Total revenue	**20,099**	**2,771**	**635**	**23,505**

Notes to the Condensed Consolidated Interim Financial Information

3 SEGMENT AND REVENUE INFORMATION *(Continued)*

(a) Disaggregated revenue information *(Continued)*

***For the six months ended June 30, 2026** (Continued)*

Segments	Hotels and resorts US$'000 (Unaudited)	Luxury travel retail US$'000 (Unaudited)	Destination services US$'000 (Unaudited)	Total US$'000 (Unaudited)
Geographical markets				
Revenue from contracts with customers				
– Saipan	9,060	–	518	9,578
– Guam	10,906	1,908	117	12,931
– Hawaii	–	863	–	863
Total revenue from contracts with customers	19,966	2,771	635	23,372
Revenue from other sources				
– Rental income (Note (ii))	133	–	–	133
Total revenue	20,099	2,771	635	23,505
Timing of revenue recognition				
Revenue from contracts with customers				
– Goods transferred at a point in time	5,968	2,771	535	9,274
– Services transferred over time	13,998	–	100	14,098
Total revenue from contracts with customers	19,966	2,771	635	23,372
Revenue from other sources				
– Rental income (Note (ii))	133	–	–	133
Total revenue	20,099	2,771	635	23,505

3 SEGMENT AND REVENUE INFORMATION *(Continued)*

(a) Disaggregated revenue information *(Continued)*

For the six months ended June 30, 2025

Segments	Hotels and resorts US$'000 (Unaudited)	Luxury travel retail US$'000 (Unaudited)	Destination services US$'000 (Unaudited)	Total US$'000 (Unaudited)
Types of goods or services				
Revenue from contracts with customers				
– Room charge	12,331	–	–	12,331
– Food and beverage	4,452	–	–	4,452
– Sale of luxury and leisure clothing and accessories	–	3,216	–	3,216
– Sale of souvenirs and others	–	–	441	441
– Operating excursion tours and rendering of land arrangement services	–	–	73	73
– Other hospitality (Note (i))	457	–	–	457
Total revenue from contracts with customers	17,240	3,216	514	20,970
Revenue from other sources				
– Rental income (Note (ii))	92	–	–	92
Total revenue	17,332	3,216	514	21,062
Geographical markets				
Revenue from contracts with customers				
– Saipan	6,878	485	402	7,765
– Guam	10,362	1,806	112	12,280
– Hawaii	–	925	–	925
Total revenue from contracts with customers	17,240	3,216	514	20,970
Revenue from other sources				
– Rental income (Note (ii))	92	–	–	92
Total revenue	17,332	3,216	514	21,062

3 SEGMENT AND REVENUE INFORMATION *(Continued)*

(a) Disaggregated revenue information *(Continued)*

For the six months ended June 30, 2025 (Continued)

Segments	Hotels and resorts US$'000 (Unaudited)	Luxury travel retail US$'000 (Unaudited)	Destination services US$'000 (Unaudited)	Total US$'000 (Unaudited)
Timing of revenue recognition				
Revenue from contracts with customers				
— Goods transferred at a point in time	4,909	3,216	357	8,482
— Services transferred over time	12,331	–	157	12,488
Total revenue from contracts with customers	17,240	3,216	514	20,970
Revenue from other sources				
— Rental income (Note (ii))	92	–	–	92
Total revenue	17,332	3,216	514	21,062

Notes:

(i) Other hospitality mainly represents late check-out charges, cancellation charges, laundry income, sales of items from mini bar, smoking fee and extra bed charges.

(ii) Rental income mainly represents income derived from lease of hotel space to third-party operating services and facilities.

(iii) No revenue recognized during the period ended June 30, 2026 related to performance obligations satisfied or partially satisfied in previous periods (six months ended June 30, 2025: Nil).

4 OTHER GAINS, NET

	For the six months ended June 30,	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Net exchange gains/(losses)	**1**	(1)
Gains on disposal of property, plant and equipment	**–**	73
	1	72

5 FINANCE COSTS, NET

	For the six months ended June 30,	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Finance income:		
— Interest income on Employee Retention Credit refund	**18**	—
Finance costs:		
— Interest expense on lease liabilities	**(443)**	(394)
— Interest expenses on bank borrowings	**(1,202)**	(1,481)
— Interest expenses on other borrowings	**(768)**	(640)
— Interest expenses on perpetual loans	**(115)**	—
— Imputed interest expenses on other borrowings	**(122)**	(118)
	(2,650)	(2,633)
Finance costs, net	**(2,632)**	(2,633)

Notes to the Condensed Consolidated Interim Financial Information

6 LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Note	For the six months ended June 30, 2026 US$'000 (Unaudited)	2025 US$'000 (Unaudited)
Employee benefit expenses (including directors' remuneration):			
Wages, salaries and other benefits		**7,805**	7,325
Pension scheme contributions (defined contribution scheme)*		**40**	32
		7,845	7,357
Other (income)/expense:			
Provision for obsolete inventories	13	**18**	3
Reversal of impairment of trade receivables		**(75)**	—
Write-off of other receivables		**—**	132
		(57)	135
Cost of inventories sold		**1,522**	1,883
Food and beverage costs		**2,024**	1,424
Lease payments not included in the measurement of lease liabilities		**536**	520
Depreciation of property, plant and equipment	10	**5,396**	5,236
Depreciation of investment properties	11	**7**	9
Amortization of intangible assets	12	**9**	14

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

7 INCOME TAX

No provision for Hong Kong, the Commonwealth of the Northern Mariana Islands (the "**CNMI**"), Guam and Hawaii profits tax has been made for the six months ended June 30, 2026 and 2025 as the Group did not generate any assessable profits arising in Hong Kong, the CNMI, Guam and Hawaii during these periods.

The Group's subsidiaries incorporated in the CNMI, Guam and Hawaii were subject to corporate income tax rate of 21%.

The CNMI imposes progressive (1.5% to 5%) business gross receipt tax payments ("**BGRT**"). Companies incorporated and operating in the CNMI are entitled to use BGRT as tax credits in deriving the corporate income tax during the six months ended June 30, 2026 and 2025.

8 LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the period attributable to owners of the Company of US$8,211,000 (six months ended June 30, 2025: US$9,590,000), and the weighted average number of ordinary shares of 360,000,000 (six months ended June 30, 2025: 360,000,000) in issue during the reporting period.

No adjustment has been made to the basic loss per share amount presented for each of the periods ended June 30, 2026 and 2025 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during each of the periods ended June 30, 2026 and 2025.

Notes to the Condensed Consolidated Interim Financial Information

9 DIVIDEND

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

10 PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets US$'000	Buildings US$'000	Renovation and leasehold improvements US$'000	Plant and machinery US$'000	Furniture, fixtures and equipment US$'000	Motor vehicles US$'000	Construction in progress US$'000	Total US$'000
June 30, 2026 (Unaudited)								
At January 1, 2026:								
Cost	21,812	42,354	76,489	19,272	20,883	913	–	181,723
Accumulated depreciation and impairment	(8,102)	(27,523)	(16,648)	(7,874)	(13,216)	(904)	–	(74,267)
Net carrying amount	13,710	14,831	59,841	11,398	7,667	9	–	107,456
Net carrying amount:								
At January 1, 2026	13,710	14,831	59,841	11,398	7,667	9	–	107,456
Additions	2,170	–	–	123	86	33	–	2,412
Lease modification	627	–	–	–	–	–	–	627
Depreciation provided during the period	(567)	(330)	(1,845)	(681)	(1,965)	(8)	–	(5,396)
At June 30, 2026	15,940	14,501	57,996	10,840	5,788	34	–	105,099
At June 30, 2026:								
Cost	24,609	42,354	76,489	19,395	20,969	946	–	184,762
Accumulated depreciation and impairment	(8,669)	(27,853)	(18,493)	(8,555)	(15,181)	(912)	–	(79,663)
Net carrying amount	15,940	14,501	57,996	10,840	5,788	34	–	105,099

10 PROPERTY, PLANT AND EQUIPMENT *(Continued)*

	Right-of-use assets US$'000	Buildings US$'000	Renovation and leasehold improvements US$'000	Plant and machinery US$'000	Furniture, fixtures and equipment US$'000	Motor vehicles US$'000	Construction in progress US$'000	Total US$'000
June 30, 2025 (Unaudited)								
At January 1, 2025:								
Cost	24,686	48,672	79,048	21,843	22,038	961	2,842	200,090
Accumulated depreciation and impairment	(10,235)	(32,077)	(15,708)	(9,668)	(10,834)	(940)	(2,842)	(82,304)
Net carrying amount	14,451	16,595	63,340	12,175	11,204	21	–	117,786
Net carrying amount:								
At January 1, 2025	14,451	16,595	63,340	12,175	11,204	21	–	117,786
Additions	21	151	82	122	255	–	–	631
Transfer to investment properties	–	(3)	–	–	–	–	–	(3)
Reversal of impairment	121	–	–	711	6	–	2,842	3,680
Write-off	(121)	–	–	(711)	(6)	–	(2,842)	(3,680)
Depreciation provided during the period	(381)	(370)	(1,869)	(658)	(1,952)	(6)	–	(5,236)
At June 30, 2025	14,091	16,373	61,553	11,639	9,507	15	–	113,178
At June 30, 2025:								
Cost	22,845	44,320	79,130	18,878	20,796	914	–	186,883
Accumulated depreciation and impairment	(8,754)	(27,947)	(17,577)	(7,239)	(11,289)	(899)	–	(73,705)
Net carrying amount	14,091	16,373	61,553	11,639	9,507	15	–	113,178

As at June 30, 2026, certain hotel assets of the Group of US$86,776,000 (December 31, 2025: US$91,435,000) have been pledged as security for the banking facilities as disclosed in note 18 to the condensed consolidated interim financial information.

11 INVESTMENT PROPERTIES

	2026 US$'000 (Unaudited)	2025 US$'000 (Unaudited)
At January 1:		
Cost	**812**	836
Accumulated depreciation	**(480)**	(480)
Net carrying amount	**332**	356
Net carrying amount:		
At January 1	**332**	356
Transfer from property, plant and equipment	**—**	3
Depreciation provided during the period	**(7)**	(9)
At June 30	**325**	350
At June 30:		
Cost	**812**	839
Accumulated depreciation	**(487)**	(489)
Net carrying amount	**325**	350

As at June 30, 2026, all investment properties of the Group of US$325,000 (December 31, 2025: US$332,000), have been pledged as security for the banking facilities as disclosed in note 18 to the condensed consolidated interim financial information.

12 INTANGIBLE ASSETS

	Computer software	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
At January 1:		
Cost	**639**	844
Accumulated amortization	**(622)**	(806)
Net carrying amount	**17**	38
Net carrying amount:		
At January 1	**17**	38
Additions	**—**	3
Amortization provided during the period	**(9)**	(14)
At June 30	**8**	27
At June 30:		
Cost	**639**	657
Accumulated amortization	**(631)**	(630)
Net carrying amount	**8**	27

Notes to the Condensed Consolidated Interim Financial Information

13 INVENTORIES

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Merchandises	2,086	2,290
Food and beverage	160	234
Others	82	92
	2,328	2,616

During the six months ended June 30, 2026, the Group made a provision of approximately US$18,000 (six months ended June 30, 2025: US$3,000) for slow moving inventories which was included in "other income/(expense)" in the condensed consolidated statement of profit or loss and other comprehensive income.

14 TRADE RECEIVABLES

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Trade receivables (Note)	2,220	1,965
Impairment	(69)	(147)
	2,151	1,818

14 TRADE RECEIVABLES *(Continued)*

Note:

The Group's sale to tour operators on a wholesale basis, traditional travel agents and several corporate customers are mainly on credit and the credit term is generally 30 days from the invoice date. As at June 30, 2026 and December 31, 2025, the aging analysis of the trade receivables based on invoice date and net of loss allowance, were as follows:

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Within 30 days	**909**	435
31 to 60 days	**123**	67
61 to 90 days	**17**	14
Over 90 days	**1,102**	1,302
	2,151	1,818

The maximum exposure to credit risk at the reporting date was the carrying value mentioned above. The Group did not hold any collateral as security. The carrying amounts of trade receivables approximate their fair values and are denominated in US$.

Notes to the Condensed Consolidated Interim Financial Information

15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Deposits	**1,067**	763
Prepayments	**1,662**	909
Other receivables	**148**	1,174
	2,877	2,846
Portion classified as current assets	**(1,814)**	(2,087)
Non-current portion	**1,063**	759

The maximum exposure to credit risk at the reporting date is the carrying amounts of deposits and other receivables mentioned above. The Group does not hold collateral as security.

The carrying amounts of prepayments, deposits and other receivables approximate their fair values and are denominated in the following currencies:

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
US$	**2,845**	2,806
HK$	**32**	40
	2,877	2,846

16 ISSUED SHARE CAPITAL AND SHARE PREMIUM

Ordinary shares of HK$0.01 each, issued and fully paid:

	Number of shares	Nominal value of ordinary shares US$'000	Share premium US$'000
December 31, 2025 (Audited) and June 30, 2026 (Unaudited)	360,000,000	461	38,122

17 TRADE AND OTHER PAYABLES

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Trade payables		
— to third parties (Note (i))	**2,854**	2,719
— to related parties (Note (ii))	**683**	864
Total trade payables	**3,537**	3,583
Accruals and other payables		
— Accrued staff salaries	**884**	582
— Other taxes payable	**492**	501
— Other accruals and payables	**8,086**	5,980
	9,462	7,063
	12,999	10,646

17 TRADE AND OTHER PAYABLES *(Continued)*

Notes:

(i) Trade payables to third parties

The aging analysis of the trade payables to third parties based on invoice date is as follows:

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Within 30 days	**1,908**	1,628
31 to 60 days	**447**	235
61 to 90 days	**119**	155
Over 90 days	**380**	701
	2,854	2,719

(ii) Trade payables to related parties

As at June 30, 2026 and December 31, 2025, the trade payables to related parties are unsecured, interest-free and with credit term of 30 days.

The aging analysis of trade payables to related parties based on invoice date is as follows:

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Within 30 days	**66**	71
31 to 60 days	**31**	38
61 to 90 days	**21**	32
Over 90 days	**565**	723
	683	864

17 TRADE AND OTHER PAYABLES *(Continued)*

The carrying amounts of trade and other payables approximate their fair values and are denominated in the following currencies:

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
US$	**12,895**	10,476
HK$	**104**	170
	12,999	10,646

18 BANK BORROWINGS

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Current		
Short-term bank borrowing, unsecured	**5,000**	5,000
Term loans, secured		
— due for repayment within 1 year which contain a repayment on demand clause	**26,608**	15,833
— due for repayment after 1 year which contain a repayment on demand clause	**6,442**	19,367
	38,050	40,200

Bank borrowings due for repayment after 1 year which contain a repayment on demand clause are classified as a current liability.

18 BANK BORROWINGS *(Continued)*

The expected repayment dates of the Group's bank borrowings that are repayable on demand, with reference to schedules of repayments set out in the loan agreements are as follows:

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Within 1 year	**26,608**	15,833
After 1 year but within 2 years	**6,442**	19,367
	33,050	35,200

The effective interest rate of the bank borrowings was 6.33% per annum for the six months ended June 30, 2026 (December 31, 2025: 6.95%).

The carrying amounts of the Group's bank borrowings approximate their fair value and are denominated in US$.

The Group's banking facilities are secured and guaranteed by (i) certain property, plant and equipment and investment properties owned by the Group with carrying amounts of US$86,776,000 (December 31, 2025: US$91,435,000) and US$325,000 (December 31, 2025: US$332,000), respectively, and (ii) corporate guarantee provided by the Company and its subsidiaries.

19 OTHER BORROWINGS AND PERPETUAL LOANS

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Non-current		
Shareholder's loan	45,160	41,483
Less: Transfer to equity as perpetual loans	(15,000)	—
Director's loan	100	1,000
	30,260	42,483
Current		
Shareholder's loan — imputed interests	833	749
Accrued interests	1,378	504
	2,211	1,253
	32,471	43,736

The expected repayment dates of the Group's other borrowings are as follows:

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Within 1 year	2,211	1,253
After 1 year but within 2 years	250	291
After 2 years but within 5 years	30,010	38,192
Over 5 years	—	4,000
	32,471	43,736

19 OTHER BORROWINGS AND PERPETUAL LOANS *(Continued)*

Since 2022, the Group entered into seven loan agreements with Tan Holdings, a controlling shareholder of the Company, for a total of seven unsecured, interest-bearing loan facilities for the purpose of financing the general working capital of the Group, as detailed below:

	Date of Loan Agreement	Amount of Loan Facility	Interest Rate	Maturity Date
1.	August 30, 2022	US$5,000,000	2% per annum	August 29, 2030*
2.	December 16, 2022	US$8,000,000	2% per annum	No fixed maturity#
3.	February 28, 2023	US$8,000,000	2% per annum	February 27, 2030*
4.	August 1, 2023	US$7,000,000	5% per annum	No fixed maturity#
5.	February 29, 2024	US$4,000,000	5% per annum	February 28, 2031*
6.	November 26, 2024	US$11,000,000	5% per annum	November 25, 2029
7.	November 25, 2025	US$9,700,000	5% per annum	November 24, 2030

* On December 2, 2024, the Group obtained an extension of 5 years on the loan repayment dates of each of the loan agreements with Tan Holdings.

On March 30, 2026, the Group entered into a deed of amendment in respect of the repayment terms with Tan Holdings for Loan 2 and 4, with an aggregated principal of US$15,000,000. Under the amended terms, the contractual repayment date of the relevant loan principal and the related interest was changed from 2029 and 2030, respectively to no fixed maturity, and repayment of both principal and interest shall be made only when determined by the Company.

On December 31, 2025, the Group obtained a waiver from Tan Holdings for loan interest totaling US$1,373,000 (2024: US$961,000) for the financial year concluded on that date.

The interest rates charged on Loans 1 to 3 are below the prevailing market interest rates. An aggregated imputed interest of approximately US$1,848,000 for these loans was calculated based on the difference between the prevailing market interest rates and the nominal interest rates. This amount has been recognized in the capital reserve as a deemed contribution from a shareholder for the year ended December 31, 2024. Imputed interest has been deducted from the principal and recognized as capital reserve at initial recognition and subsequently amortized as imputed interest expenses in "Finance costs". During the six-month ended June 30, 2026, imputed interests of US$122,000 (2025: US$118,000) have been amortized and recorded in "Finance costs" in the unaudited condensed consolidated statement of profit or loss and other comprehensive income. Upon the conversion of Loan 2 to a perpetual loan during the period, the residual unamortized imputed interest of US$189,000 relating to this loan was released from capital reserve.

19 OTHER BORROWINGS AND PERPETUAL LOANS *(Continued)*

As at June 30, 2026, shareholder's loan of US$47,050,000 (December 31, 2025: US$43,600,000) had been drawn down by the Company. Of this amount, US$32,050,000 (December 31, 2025: US$43,600,000) was classified as non-current liabilities, while US$15,000,000 was reclassified to equity as perpetual loans.

On November 22, 2024 and March 27, 2025, a subsidiary entered into two loan agreements with Mr. Chiu George, a Director of the Company, for loan facilities of US$800,000 and US$200,000, respectively. The director's loans are unsecured, interest-bearing at 6.0% per annum, and are repayable in 5 years from the date of respective loan agreement. As at June 30, 2026, the director's loans of US$100,000 was outstanding and the full amount was classified as non-current liabilities.

Notes to the Condensed Consolidated Interim Financial Information

20 RELATED PARTY TRANSACTIONS

(a) Significant transactions with related parties:

Save as disclosed elsewhere in the unaudited condensed consolidated interim financial information, during the six months ended June 30, 2026 and 2025, the following significant transactions were carried out with related parties:

Company name	Nature of transactions	For the six months ended June 30, 2026 US$'000 (Unaudited)	2025 US$'000 (Unaudited)
Companies controlled by the Controlling Shareholder:			
CTSI Holdings Limited and its subsidiaries*	Freight forwarding and logistics expenses	**100**	144
	Shared-services expenses	**3**	3
LSS Holdings Limited	Purchase of merchandises	**67**	97
Tan Holdings	Interest expense	**853**	614
Company controlled by close family of the Controlling Shareholder:			
Quanzhou Century Tour Investment Co., Ltd. and its subsidiaries*	Hotel service income	**624**	594
Fellow subsidiaries:			
Beach Road Tourism Development, Inc.	Rental expenses and expenses charged	**–**	113
Cosmos Distributing Co. Ltd.*	Purchase of merchandises	**38**	42
D&Q Co. Ltd.*	Purchase of merchandises	**36**	24
L&T Group of Companies Ltd.	Shared-services expenses	**49**	88
	Hotel service income	**–**	57
	Rental expenses and expenses charged	**28**	28
Pacific Oriental Inc.	Rental expenses and expenses charged	**5**	9
TakeCare Insurance Company Inc.*	Insurance expense	**489**	475

* These transactions constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

The pricing of these transactions was determined based on mutual negotiation and agreement between the Group and related parties.

20 RELATED PARTY TRANSACTIONS *(Continued)*

(a) Significant transactions with related parties: *(Continued)*

Outstanding balances and other transactions with related parties:

(i) Details of the trade payables to related parties at the end of the reporting period are disclosed in note 17(ii) to the condensed consolidated interim financial information.

(ii) Details of the amounts due from/to related parties (other than the loans from Tan Holdings and a Director of the Company) at the end of the reporting period are as follows:

	As at June 30, 2026 US$'000 (Unaudited)	As at December 31, 2025 US$'000 (Audited)
Due from fellow subsidiaries	**25**	41
Due from companies controlled by the Controlling Shareholder	**8**	12
Due from companies controlled by close family of the Controlling Shareholder	**4**	199
Total amounts due from related parties	**37**	252
Due to fellow subsidiaries	**230**	400
Due to companies controlled by the Controlling Shareholder	**39**	33
Total amounts due to related parties	**269**	433

As at June 30, 2026 and December 31, 2025, the above balances with related parties were unsecured, interest-free and repayable on demand.

20 RELATED PARTY TRANSACTIONS *(Continued)*

(b) Key management compensation

Key management includes directors and senior management of the Group. The compensation paid or payable to key management for employees' services is shown below:

	For the six months ended June 30,	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Wage, salaries, bonuses and other allowances and benefits in kind	**306**	299
Pension costs — defined contribution plan	**3**	3
	309	302

Management Discussion and Analysis

The board of directors (the “**Board**”) of S.A.I. Leisure Group Company Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended June 30, 2026 (the “**Reporting Period**”). The relevant financial figures for the corresponding period in 2025 or other dates/periods are also set out in this report for comparative purposes.

I. BUSINESS OVERVIEW

In the first half of 2026, global economic growth slowed amid persistent inflation, rising fuel costs, and geopolitical tensions. While global tourism remained resilient, recovery across our destinations faced headwinds. Continuous currency depreciation in our core tourist origin markets, alongside higher travel expenses, drove consumers toward value-seeking options, prioritizing domestic and non-US Dollars regional destinations over long-haul travel.

Beyond macroeconomic pressures, operational performance in Saipan and Guam was heavily disrupted by back-to-back major tropical cyclones. In April 2026, Super Typhoon Sinlaku made landfall in the Northern Marianas as a Category 4 storm, which carries sustained winds of 209 km/hr to 251 km/hr, causing extensive power outages, infrastructure damage, and widespread flight cancellations across Saipan and Guam. This was compounded shortly after by Super Typhoon Bavi, whose extreme winds and storm surges damaged utility grids and port infrastructure. The dual impact of these natural disasters suppressed tourist arrivals in the second quarter of 2026.

For the first six months of 2026, Guam recorded approximately 317,000 visitor arrivals, which is a decrease of 8.2% when compared to the same period last year and represented approximately 40.0% of the number of visitor arrivals during the same period in 2019 (pre-pandemic). Japan has taken over South Korea to be the leading tourist origin market of Guam with an increase of 5.9% in total visitor arrivals when compared to the same period last year, accounting for 38.2% of total visitor arrivals for the first six months of 2026. South Korea became the second tourist origin market of Guam with a decrease of 25.4% in total visitor arrivals when compared to the same period last year, accounting for 37.2% of total visitor arrivals for the first six months of 2026.

Management Discussion and Analysis

During Super Typhoon Sinlaku in mid-April 2026, Guam experienced heavy rain and strong tropical-storm-force winds and at least 28 scheduled commercial flights arriving at and departing from Guam were cancelled, specifically those international routes to/from our core tourist origin markets Tokyo-Narita and Seoul-Incheon. Despite the fact that the Guam International Airport remained structurally operational and normal commercial operations resumed in 48 to 72 hours, the total number of tourist arrivals dropped approximately 47.0% in the second quarter of 2026 after the typhoon when compared to the first quarter of 2026.

On the other hand, Saipan recorded approximately 50,000 visitor arrivals, which is a decrease of 36.7% when compared to the same period last year and represented approximately 21.8% of the number of visitor arrivals when compared to 2019 (pre-pandemic). Despite the fact that South Korea remained the leading tourist origin market of Saipan, accounting for 57.6% of total visitor arrivals for the first six months of 2026, there was a decrease of 46.0% when compared to the same period last year. The gradual pick up of arrivals from Mainland China was halted again due to the cancellation of direct flights from Hong Kong to Saipan under the impact of Super Typhoon Sinlaku. Having said that, for the first six months of 2026, Mainland China was the second core tourist origin market of Saipan, accounting for 11.5% of total visitor arrivals for the first six months of 2026, there was a decrease of 12.4% when compared to the same period last year.

On December 23, 2025, the Group entered into the Managaha Island Master Concession Agreement with the CNMI Department of Public Lands. Under the Managaha Island Master Concession Agreement, the Group was granted the right to operate businesses relating to transportation to and from Managaha Island, non-motorized marine sports, recreational activities, food, beverages and souvenirs, which could enhance the overall experience of our hotel guests, gain competitive advantages over our competitors and expand the excursion tours businesses in Saipan under the Destination Services Segment. In mid-February 2026, businesses including the provision of transportation to and from Managaha Island, pavilion and marine rentals as well as food and beverages ("**F&B**") services and souvenirs shops were launched and in full operation.

Management Discussion and Analysis

In mid-April 2026, Super Typhoon Sinlaku caused widespread infrastructure damage across the Northern Mariana Islands, crippling power grids, water lines, and communications. Saipan International Airport suffered severe damage to its jet bridges, backup power, and airfield lighting. Consequently, the airport closed for regular operations and restricted access to daylight relief flights only. All scheduled commercial flights were suspended or cancelled, and international commercial flights gradually resumed from June 21, 2026, starting with Jeju Air. The direct flight between Hong Kong and Saipan only resumed on July 12, 2026.

Throughout the Reporting Period, Crowne Plaza Resort Guam, Crowne Plaza Resort Saipan, all luxury travel retail boutiques in Guam and Hawaii as well as the Group's convenience stores located within the hotel premises of Crowne Plaza Resort Guam and Crowne Plaza Resort Saipan continued to be open for business. Century Hotel, the Group's excursion tours in Saipan as well as the Group's newly launched Managaha operations were closed since Super Typhoon Sinlaku approached to Northern Mariana Islands. Some of the Group's excursion tours in Saipan, specifically the marine rental operation, gradually resumed in mid-June 2026.

REVENUE AND OPERATING LOSS

For the Reporting Period, the Group recorded a revenue of approximately US$23,505,000, representing an increase of US$2,443,000 or 11.6% from approximately US$21,062,000 in the preceding year. The revenue from both of our Guam and Saipan businesses showed a notable increase of 5.6% and 23.2%, respectively, which was offset by a decrease of 6.7% in the total revenue from our Hawaii business.

During the Reporting Period, Crowne Plaza Resort Guam maintained stable occupancy and average daily room rates year-over-year, while F&B services delivered robust growth, driving a 41.5% revenue increase. Luxury travel retail revenue also grew by 5.6%, demonstrating resilience despite macroeconomic headwinds from a strong U.S. dollar and lower overall tourist arrivals. Concurrently, Crowne Plaza Resort Saipan steadily rebuilt its occupancy and room rates throughout early 2026. Following Super Typhoon Sinlaku, the property served as the accommodation for international relief agencies — including the Federal Emergency Management Agency ("**FEMA**"), the Red Cross, Samaritan's Purse, and the U.S. Army Corps of Engineers. This emergency housing demand drove a substantial surge in occupancy and average room rates, boosting overall revenue across Saipan operations and successfully offsetting impact from the closure of the local luxury travel retail business since the start of 2026 and the suspension of Managaha operations and usual excursion tours since mid-April 2026.

For the six months ended June 30, 2026, the operating loss of the Group was approximately US$5,700,000, representing a decrease in loss of US$1,386,000 or 19.6% when compared with the operating loss of approximately US$7,086,000 for the corresponding period last year. With the substantial surge in occupancy rates of Crowne Plaza Resort Saipan after Super Typhoon Sinlaku, coupled with the continuous efforts of the management of the Group in improving operation efficiency as well as enforcing effective cost-saving measures, the overall performance of the Group was improved. It should also be noted that the said amount of operating loss during the Reporting Period has taken into account, amongst others, the recognition of depreciation and amortization expenses (non-cash items) relating to the Group's assets of approximately US$5,412,000.

Performance of the Group's business is covered in more detail under the "Segmental Review" section below.

II. SEGMENTAL REVIEW

The Hotels & Resorts Segment, Luxury Travel Retail Segment and Destination Services Segment respectively accounted for approximately 85.5%, 11.8% and 2.7% of the Group's total revenue for the Reporting Period.

Hotels & Resorts Segment

During the Reporting Period, revenue generated from the Hotels & Resorts Segment was approximately US$20,099,000, representing a robust increase of US$2,767,000 or 16.0% when compared with the corresponding period in 2025 of approximately US$17,332,000. As mentioned above, Crowne Plaza Resort Saipan increased its revenue by US$2,235,000 or 33.0% when compared with the same period last year as the property served as the accommodation for international relief agencies following the Super Typhoon Sinlaku. On the other hand, business strategies were adjusted for Crowne Plaza Resort Guam and the operation efficiency of the resort's F&B outlets continued to improve, resulting in a strong increase in its F&B revenue.

For the six months ended June 30, 2026, the Hotels & Resorts Segment has had a negative segmental margin of approximately US$3,861,000, representing a robust decrease of 32.0% in loss when compared to the same period in preceding year. The substantial increase in the occupancy rate of Crowne Plaza Resort Saipan, coupled with the fact that the management of the Group continued to reinforce effective cost-saving measures and strived to improve the operation efficiency, the segmental margin significantly improved. The said amount of negative segmental margin has taken into account, amongst others, the recognition of depreciation and amortization expenses (non-cash items) relating to the Group's assets of approximately US$4,952,000.

Crowne Plaza Resort Guam

For the Reporting Period, revenue from Crowne Plaza Resort Guam increased by US$590,000, representing an increase of 5.7% as compared to the same period in preceding year and an increase of 12.2% as compared to the revenue of Fiesta Resort Guam (now rebranded as Crowne Plaza Resort Guam) for the six months ended June 30, 2019 (pre-pandemic).

Despite the overall decline in tourist arrivals in Guam as well as a short period of suspension of international flights from our core tourist origin markets following Super Typhoon Sinlaku, the revenue of Crowne Plaza Resort Guam increased during the Reporting Period. This is attributable to an adjustment in business strategies by the management which actively targeted the local Guam resident market alongside hotel guests to promote the resort's F&B outlets. By hosting themed buffets, weekend brunches, and special beachfront dining events, outlets drew consistent revenue from residents celebrating special occasions or dining socially. In addition, perpetual improvement in operation efficiency and optimization of our sales channels and business mix helped enhance customers' loyalty and reduced our reliance on wholesales agents. During the Reporting Period, Crowne Plaza Resort Guam achieved a positive gross operating profit, which was 9.9% higher than the preceding year.

Crowne Plaza Resort Saipan

Crowne Plaza Resort Saipan is honored to be recognized in Tripadvisor's 2026 Travelers' Choice Best of the Best Awards, ranking #16 among the Top Hotels in the South Pacific. As Tripadvisor's highest distinction, this award places our resort in the top 1% of hotels worldwide. This marks a significant leap from our placement in the top 10% last year.

For the Reporting Period, revenue from Crowne Plaza Resort Saipan increased by approximately US$2,235,000 or 33.0% as compared to the corresponding period in the preceding year and represented 58.2% of the revenue of Fiesta Resort Saipan (now rebranded as Crowne Plaza Resort Saipan) for the six months ended June 30, 2019 (pre-pandemic).

In mid-April 2026, Super Typhoon Sinlaku caused widespread infrastructure damage across the Northern Mariana Islands, crippling power grids, water lines, and communications. Saipan International Airport suffered severe damage to its jet bridges, backup power, and airfield lighting. Consequently, the airport closed to regular operations and restricted access to daylight relief flights only. All scheduled commercial flights were suspended or cancelled, and international commercial flights gradually resumed from June 21, 2026, starting with Jeju Air.

Management Discussion and Analysis

Following Super Typhoon Sinlaku, the property served as the accommodation for international relief agencies — including FEMA, the Red Cross, Samaritan's Purse, and the U.S. Army Corps of Engineers. This emergency housing demand drove a substantial surge in occupancy and average room rates, boosting the total revenue of Crowne Plaza Resort Saipan and successfully offsetting impact from the closure of the local luxury travel retail business since the start of 2026 and the suspension of the Managaha Island operations and usual excursion tours since mid-April 2026. During the Reporting Period, Crowne Plaza Resort Saipan achieved a positive gross operating profit, which was 593.1% higher than the corresponding period in preceding year.

Luxury Travel Retail Segment

For the Reporting Period, revenue from the Luxury Travel Retail Segment was approximately US$2,771,000, representing a decrease of US$445,000 or 13.8% as compared to the same period in the preceding year. With effect from January 1, 2026, the Luxury Travel Retail business in Saipan was permanently closed, causing the decrease in the segmental revenue.

Following the relocation of all boutiques in Guam to stronger retail spaces in late 2025, the revenue from the Luxury Travel Retail business in Guam was increased by US$102,000 or 5.6% despite the fact that the overall tourist arrivals in Guam declined and the spending power of tourists weakened due to a strong U.S. Dollar. The Luxury Travel Retail business in Hawaii maintained a similar level of revenue as compared to the same period of the preceding year.

For the six months ended June 30, 2026, the Luxury Travel Retail Segment had a negative segmental margin of approximately US$565,000, representing a 2.6% decrease when compared to the same period of the preceding year. The said amount of negative segmental margin has taken into account, amongst others, the recognition of depreciation and amortization expenses (non-cash items) relating to the Group's assets of approximately US$332,000. During the Reporting Period, the management of the Group continued to implement effective cost-saving measures to alleviate the negative financial impact on the segmental results. Various marketing and promotion campaigns were launched to drive more traffic to our boutiques.

Destination Services Segment

For the Reporting Period, revenue from the Destination Services Segment was approximately US$635,000, representing an increase of US$121,000 or 23.5% as compared to the same period in the preceding year. The increase in revenue was mainly contributed by the launching of the Managaha Island operations in mid-February 2026 notwithstanding the suspension of operations in mid-April 2026 due to Super Typhoon Sinlaku. On the other hand, the two convenience stores located within the hotel premises of Crowne Plaza Resort Guam and Crowne Plaza Resort Saipan continued to contribute notable increase in revenue during the Reporting Period.

Nevertheless, for the six months ended June 30, 2026, the segmental loss of the Destination Services Segment was approximately US$543,000, representing an increase in loss of US$353,000 or 185.8% when compared to the same period in preceding year. The decrease in the number of tourist arrivals in Saipan coupled with the suspension of various routine excursion tours and the newly launched operations at Managaha Island, negatively impacted the excursion tour businesses in Saipan. Apart from various startup costs incurred in relation to the launching of our new operations at Managaha Island, depreciation and amortization expenses (non-cash items) recognized during the Reporting Period under the Destination Services Segment was approximately US$128,000, representing an increase of US$105,000 when compared to the same period in preceding year.

III. MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

During the Reporting Period, the Group did not make any material acquisitions and disposals of subsidiaries, associates or joint ventures.

The Group had no significant investments held during the Reporting Period.

Management Discussion and Analysis

IV. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Shortly after Super Typhoon Sinlaku, Super Typhoon Bavi, which carries sustained winds of 252km/hr or higher, struck Guam and the Northern Mariana Islands in early July 2026. Coming in rapid succession, Typhoon Bavi prolonged local infrastructure repairs, extended utility restoration efforts, and delayed the full reopening of regional tourist attractions and resort amenities across Saipan and neighbouring islands.

Following these weather disruptions, both Guam and Saipan International Airports have returned to full operations. Key international routes connecting our primary source markets have resumed regular flight schedules, including the direct flight service between Hong Kong and Saipan, which recommenced on July 12, 2026.

Both Crowne Plaza resorts weathered Super Typhoon Bavi without significant structural damage. While the Group continues to remediate facilities affected by Super Typhoon Sinlaku, both properties remain fully operational as of the date of this report. Within our Luxury Travel Retail Segment, all boutiques in Guam and Hawaii continue to maintain standard daily business hours. In our Destination Services Segment, on-site convenience stores at both Crowne Plaza resorts remain open, and marine rental operation at Crowne Plaza Resort Saipan has resumed since mid-June 2026. Additionally, with operational support from FEMA, site cleanup and restoration for our Managaha operations are progressing well, and the management of the Group is targeting a full resumption of services in August 2026.

As of the date of this report, the Group has continued active engagement with its principal bank regarding the refinancing of its existing banking facilities. Based on ongoing communications, the refinancing process is progressing satisfactorily, with the bank indicated no awareness of any material facts or circumstances that would alter the principal commercial terms agreed upon. To support short-term debt service obligations, the Group secured and fully drew down a temporary short-term credit facility of US$7,000,000 on August 19, 2026.

V. LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

In the first half of 2026, the financial position of the Group remained healthy. The Group generally finances its operations with internally generated cash flows, shareholder's loans and external financing. As at June 30, 2026, the total amount of cash and bank deposits of the Group was approximately US$3,498,000, which is comparable to that as at December 31, 2025.

As at June 30, 2026, the Group had an interest-bearing term loan of US$33,050,000 (As at December 31, 2025: US$35,200,000) and a revolving loan of US$5,000,000 (As at December 31, 2025: US$5,000,000). The relevant banking facilities were fully drawn down as at June 30, 2026. Based on the scheduled repayments set out in the relevant banking facility letter, the maturity profile of the term loan is spread over a period of five years, with approximately US$9,950,000 repaid as at June 30, 2026, approximately US$26,608,000 repayable within 2026, approximately US$6,442,000 repayable within 2027.

Since 2022, the Group entered into seven loan agreements with Tan Holdings, a controlling shareholder of the Company, for a total of seven unsecured, interest-bearing loan facilities for the purpose of financing the general working capital of the Group, as detailed below:

	Date of Loan Agreement	**Amount of Loan Facility**	**Interest Rate**	**Maturity Date**
1.	August 30, 2022	US$5,000,000	2% per annum	August 29, 2030*
2.	December 16, 2022	US$8,000,000	2% per annum	No fixed maturity#
3.	February 28, 2023	US$8,000,000	2% per annum	February 27, 2030*
4.	August 1, 2023	US$7,000,000	5% per annum	No fixed maturity#
5.	February 29, 2024	US$4,000,000	5% per annum	February 28, 2031*
6.	November 26, 2024	US$11,000,000	5% per annum	November 25, 2029
7.	November 25, 2025	US$9,700,000	5% per annum	November 24, 2030

* On December 2, 2024, the Group obtained an extension of 5 years on the loan repayment dates of each of the loan agreements with Tan Holdings.

\# On March 30, 2026, the Group entered into a deed of amendment in respect of the repayment terms, and the contractual repayment date was changed to no fixed maturity.

On March 30, 2026, the Group has entered into a deed of amendment in respect of the repayment terms with Tan Holdings for Loan 2 and 4 above, with an aggregated principal of US$15,000,000. Under the amended terms, the contractual repayment date of the relevant loan principal and the related interest were changed from 2029 and 2030, respectively to no fixed maturity, and repayment of both principal and interest shall be made only when determined by the Company. As a result of this amendment, the Company reclassified US$15,000,000 of the utilized shareholder loans as perpetual loans in 2026 in accordance with the amended repayment terms.

As at June 30, 2026, the Company had drawn down the full amount of Loans 1 to 6, and an amount of US$4,050,000 of Loan 7 above.

In August 2026, the Group further received a written commitment from Tan Holdings for a standby shareholder loan facility of US$9,000,000. Furthermore, Tan Holdings has committed to providing financial support to enable the Group to meet its liabilities when they fall due in the foreseeable future (at least twelve months from the date of the consolidated financial statements). Tan Holdings has undertaken not to demand repayment of the amount due to it by the Group until the Group is in a position to repay without impairing its liquidity and financial position.

The Directors are of the view that the Group has adequate liquidity to meet its expected working capital requirements and capital expenditure requirements in the coming twelve months from June 30, 2026.

The gearing ratio of the Group is calculated based on the total interest-bearing bank borrowings divided by total equity as at the end of respective periods and multiplied by 100%. As at June 30, 2026, the gearing ratio of the Group was 161.1% (2025: 174.6%).

The capital structure of the Group consists of debts which include bank borrowings, shareholder's loans, net of cash and cash equivalents and equity attributable to owners of the Company, which comprises issued share capital, share premium and various reserves as shown in the condensed consolidated statement of financial position. There has been no change in the share capital structure of the Company since the date of Listing.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximize the return to the Shareholders through the optimization of the debt and equity balance. The Directors review the capital structure regularly, taking into account the cost of capital and the risk associated with the capital.

VI. FOREIGN EXCHANGE RISK MANAGEMENT

The subsidiaries of the Group mainly operate in Saipan, Guam and Hawaii with most of the transactions settled in U.S. Dollars. Foreign exchange rate risk arises when recognized financial assets and liabilities are denominated in a currency that is not the entity's functional currency. As at June 30, 2026, the financial assets and liabilities of the subsidiaries of the Group in Saipan, Guam and Hawaii are primarily denominated in U.S. Dollars. Therefore, the Group's foreign exchange risk is insignificant.

VII. FUTURE PLANS AND MARKET PROSPECTS

To solidify Guam's position as a premier global destination, the Guam Visitors Bureau ("**GVB**") is executing a comprehensive, four-pronged strategic recovery initiative during the second half of 2026. First, targeted international marketing efforts leverage on strategic media partnerships, including a high-profile docu-drama collaboration with TV Tokyo to stimulate Japanese traveller demand, while simultaneously positioning Guam as a premier "Wellness Island" to South Korea travellers where nature, relaxation and sports converge. Concurrently, GVB is expanding its trade footprint and promotional presence within emerging growth markets, specifically the Philippines and Taiwan. Second, GVB continues to deploy its US$10,000,000 airline incentive program to systematically restore seat capacity, mitigating the impact of jet fuel surcharges to secure regional charter flights and retain low-cost carriers. Third, destination stewardship initiatives integrate authentic Chamorro cultural programming with critical post-typhoon infrastructure rehabilitation throughout the primary Tumon tourist corridor. Last but not least, GVB drives high-yield visitor volume by leveraging major signature events, such as the Guam Micronesia Island Fair and the Guam International Dance Festival, amplified by exclusive United Airlines commercial travel discounts to optimize visitor conversion and accelerate arrival metrics.

For the second half of 2026, Saipan and the Marianas Visitors Authority ("**MVA**") are executing a strategic tourism recovery framework focused on post-typhoon infrastructure rehabilitation and aggressive international flight restoration. Following the resumption of nighttime operations at Saipan International Airport, critical connectivity has been secured; Jeju Air extended its Seoul service into the winter schedule without subsidies, Hong Kong Airlines reinstated direct routes, and United Airlines and Philippine Airlines are scheduled to resume Tokyo and Manila flights respectively. Concurrently, to stimulate demand in its primary South Korean market, the MVA has leveraged a major digital platform partnership with Good Choice, launching targeted campaigns that position the destination as an accessible weekend getaway for working professionals. Facing fiscal revenue constraints, the MVA is shifting away from broad-scale advertising to invest directly in high-yield heritage tourism. This product development shift includes transforming the historic Japanese Lighthouse on Navy Hill into an immersive visitor center featuring cultural demonstrations, local artisan marketplaces, and indigenous Chamorro and Carolinian storytelling hubs designed to diversify the island's experiential offerings.

Hotels & Resorts Segment

As of the date of this report, the Group continues its efforts in the infrastructure repairs of Crowne Plaza Resort Saipan and the resumption of operations on Managaha Island. The Hotel Manager of Crowne Plaza Resort Guam continues its efforts in expanding the hotel's share of the tourism market in Guam and improving operational efficiency. The Hotel Manager continues to reach out to our tourist origin markets through participation in various marketing campaigns and international travel fairs held in Japan, South Korea and Taiwan. Riding on the use of IHG's booking engines, coupled with the optimization of sales channels and business mix of the Crowne Plaza resorts, will help maintain or even increase the hotels' average room rates and further enhance customer loyalty.

Luxury Travel Retail Segment

All boutiques in Guam and Hawaii continue to operate under normal business hours on a daily basis. The management of the Group is focusing on adjusting the sales and marketing strategies to drive more traffic to the boutiques.

Destination Services Segment

With operational support from FEMA, site cleanup and restoration for our Managaha Island operations are progressing well, the management of the Group is targeting a full resumption of services in August 2026. Such operations could create positive synergy by enhancing the overall guest experience in Saipan, which will be beneficial to the long-term growth of the Group and act as a tourism icon of Saipan.

Other plans and prospects

To maintain the Group's long-term growth and for the best interests of the Group and the shareholders of the Company as a whole, the Group's management continues to cautiously explore possible merger and acquisition opportunities.

VIII. CHARGE ON ASSETS

As at June 30, 2026 and December 31, 2025, the Group had aggregate banking facilities of US$48,000,000 and US$48,000,000, respectively, which were fully utilized and secured by certain buildings and investment properties owned by the Group.

IX. CONTINGENT LIABILITIES

As at June 30, 2026, the Group did not have any material contingent liabilities.

X. EMPLOYEES AND EMOLUMENT POLICY

As at June 30, 2026, the Group had a total of 339 (as at June 30, 2025: 343) full-time employees, including 219 employed in Saipan, 109 employed in Guam, 6 employed in Hawaii and 5 employed in Hong Kong. During the Reporting Period, the management of the Group continued to optimize operational efficiency while maintaining appropriate staffing levels. As a responsible employer, the Group continues to value its employees and continues to strive to provide an excellent working environment. The Group has complied with all relevant labor laws and regulations and has formulated a set of human resources policies relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal employment opportunity, diversity, anti-discrimination and other benefits and welfare. Remuneration is determined with reference to market terms and performance, qualification and experience of individual directors and employees. During the Reporting Period, the total staff costs (including directors' emoluments) amounted to US$7,845,000 (for the six months ended June 30, 2025: US$7,357,000). The Company has adopted the Post-IPO Share Option Scheme on April 9, 2019 for the purpose of providing incentives and rewards to eligible persons, including the employees of the Group, for their contribution to the Group. During the Reporting Period, no options were granted, exercised, cancelled, or lapsed under the Share Option Scheme and there were no options outstanding as at June 30, 2026.

Other Information

I. INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the Reporting Period.

II. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

III. DIRECTORS AND CHIEF EXECUTIVES' INTEREST IN SHARES

As at June 30, 2026, the interests of the Directors and chief executives of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "**SFO**"), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules, were as follows:

Name of Director	Capacity/ Nature of interest	Number of Shares	Approximate percentage of Interests in the Company*
Dr. TAN Siu Lin	Interests in a controlled corporation (Note a)	270,000,000	75%
Dr. TAN Henry	Interests in a controlled corporation (Note b)	270,000,000	75%

* The percentage has been compiled based on the total number of shares of the Company (each a "**Share**") issued (i.e. 360,000,000) as of the date of this report.

Notes:

(a) Dr. TAN Siu Lin is deemed to be interested in 270,000,000 Shares under the SFO (representing 75% of our entire issued share capital) held by THC Leisure Holdings Limited because (i) he acts in concert with Dr. TAN Henry in respect of the affairs of our Group, (ii) he and Dr. TAN Henry together control the majority of the board of directors of Supreme Success Limited, which is the registered owner of the entire interests in Leap Forward Limited as the trustee of a discretionary family trust, (iii) he and Dr. TAN Henry together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward Limited, and are thus entitled to exercise the voting rights in Leap Forward Limited, (iv) he is the founder of the said discretionary family trust, (v) Leap Forward Limited is the registered owner of a 39% interest in Tan Holdings Corporation, and (vi) Tan Holdings Corporation is the registered owner of the entire interests in THC Leisure Holdings Limited. As such, THC Leisure Holdings Limited is a controlled corporation of Dr. TAN Siu Lin.

(b) Dr. TAN Henry is deemed to be interested in 270,000,000 Shares under the SFO (representing 75% of our entire issued share capital) held by THC Leisure Holdings Limited because (i) he acts in concert with Dr. TAN Siu Lin in respect of the affairs of our Group, (ii) he and Dr. TAN Siu Lin together control the majority of the board of directors of Supreme Success Limited, which is the registered owner of the entire interests in Leap Forward Limited as the trustee of a discretionary family trust, (iii) he and Dr. TAN Siu Lin together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward Limited, and are thus entitled to exercise the voting rights in Leap Forward Limited, (iv) Leap Forward Limited is the registered owner of a 39% interest in Tan Holdings Corporation, and (v) Tan Holdings Corporation is the registered owner of the entire interests in THC Leisure Holdings Limited. As such, THC Leisure Holdings Limited is a controlled corporation of Dr. TAN Henry. He is also the founder of a discretionary family trust which is the registered owner of a 20% interest in Tan Holdings Corporation.

Save as disclosed above, as of the date of this report, none of the Directors or chief executives of the Company had any interests and short positions in the Shares and underlying shares of the Company or any associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

IV. SUBSTANTIAL SHAREHOLDERS

As at June 30, 2026, the register of substantial shareholders maintained pursuant to Section 336 of the SFO showed that other than the interests disclosed in "III. Directors' and Chief Executives' Interests in Shares", the following shareholders had notified the Company of their relevant interests in the issued share capital of the Company.

Name of Shareholder	Capacity/ Nature of Interest	Number of Shares	Approximate percentage of Interests in the Company*
THC Leisure Holdings Limited (Note a)	Beneficial interest	270,000,000	75%
Tan Holdings Corporation (Note a)	Interests in a controlled corporation	270,000,000	75%
Leap Forward Limited (Note a)	Interests in a controlled corporation	270,000,000	75%
Supreme Success Limited (Note a)	Interests in a controlled corporation	270,000,000	75%

* The percentage has been compiled based on the total number of shares issued (i.e. 360,000,000) as of the date of this report.

Note:

(a) THC Leisure Holdings Limited directly holds 270,000,000 Shares (representing 75% of our entire issued share capital). THC Leisure Holdings Limited is 100% directly owned by Tan Holdings Corporation. Leap Forward Limited holds 39% interest in Tan Holdings Corporation directly and Supreme Success Limited holds 100% interest in Leap Forward Limited.

Save as disclosed above, as of the date of this report, so far as is known to the Directors, there is no other person (not being a Director or chief executive of the Company) who has an interest or a short position in the Shares or underlying shares which could fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

V. REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee of the Company consists of the Independent Non-Executive Directors, namely Mr. MA Andrew Chiu Cheung, Mr. CHAN Leung Choi Albert and Mr. WONG Chun Tat. Mr. MA Andrew Chiu Cheung is the Chairman of the Audit Committee.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and has discussed with the management regarding the auditing, internal control and financial reporting matters. The Audit Committee has discussed and reviewed the unaudited condensed consolidated interim financial information for the Reporting Period with no disagreement.

Such unaudited condensed consolidated interim financial information has also been reviewed by the Company's auditor, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA.

VI. CORPORATE GOVERNANCE PRACTICES AND OTHER MATTERS

The Board has adopted the applicable code provisions of the Corporate Governance Code (the "**CG Code**") set out in Appendix C1 to the Listing Rules as its code of corporate governance. The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the code provisions set out in the CG Code throughout the Reporting Period.

Ms. Cheung Pik Shan Bonnie was appointed as an Executive Director with effect from April 9, 2025. Ms. Cheung has obtained a letter of advice from Deacons, our legal advisers as to Hong Kong law, on February 17, 2025, (a) enclosing therewith a memorandum which gives an overview of the main requirements relating to a listed issuer and/or its directors; and (b) setting out the possible consequences of making a false declaration or giving false information to the Stock Exchange for the purpose of complying with Rule 3.09D of the Listing Rules. She also obtained details for accessing and viewing a directors training video prepared by Deacons on February 17, 2025. Ms. Cheung has confirmed to the Company that she understood her obligations as a director of a listed issuer.

Other Information

VII. MODEL CODE

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standards set out in the Model Code as set out in Appendix C3 to the Listing Rules. After having made specific enquiries to all Directors, the Directors confirmed that they have complied with the required standards as set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company during the Reporting Period.

VIII. DISCLOSURE OF INFORMATION ON THE COMPANY AND THE STOCK EXCHANGE'S WEBSITE

This interim report will be published on the websites of the Company (www.saileisuregroup.com) and the Stock Exchange (www.hkexnews.hk) in accordance with Rule 13.48(1) of the Listing Rules.

By order of the Board
TAN Henry, *SBS, JP*
Vice Chairman, Executive Director and
Chief Executive Officer

Hong Kong, August 28, 2026