Z FIN LIMITED

(Incorporated in Bermuda with limited liability)
Stock Code: 1168

2026

INTERIM REPORT

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Director

Tang Yui Man Francis
(Chairman and Chief executive Officer)

Non-executive Directors

Ou Jin Yi Hugo
Ou Jin Yao Norris
Xu Xiujuan

Independent Non-executive Directors

Cheung Adrian Jeremy Ka Hing
Tian Jin
Xin Luo Lin

AUTHORISED REPRESENTATIVES

Tang Yui Man Francis
Ou Jin Yi Hugo

COMPANY SECRETARY

Lo Tai On

AUDIT COMMITTEE

Xin Luo Lin *(Chairman)*
Cheung Adrian Jeremy Ka Hing
Tian Jin

NOMINATION COMMITTEE

Tian Jin *(Chairman)*
Cheung Adrian Jeremy Ka Hing
Tang Yui Man Francis
Xin Luo Lin

REMUNERATION COMMITTEE

Xin Luo Lin *(Chairman)*
Cheung Adrian Jeremy Ka Hing
Tang Yui Man Francis

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors
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HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
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Wanchai
Hong Kong

HONG KONG BRANCH SHARE TRANSFER OFFICE

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Wanchai
Hong Kong

LEGAL ADVISORS

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Cleary Gottlieb Steen & Hamilton (Hong Kong)
Deacons
Guantao & Chow Solicitors & Notaries
JunHe Law Offices

(As to Bermuda Law)
Conyers Dill & Pearman

PRINCIPAL BANKERS

Bank of China Limited
Bank of China (Hong Kong) Limited
China Merchants Bank Company Limited
Hang Seng Bank Limited
Ping An Bank
The Bank of East Asia, Limited
Shanghai Pudong Development Bank

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FINANCIAL HIGHLIGHTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

- Revenue increased 67.9% to HK$485.7 million
- Gross profit increased 23.6% to HK$251.1 million
- Loss attributable to owners of the Company amounted to HK$196.1 million
- Basic loss per share amounted to HK$0.45

MANAGEMENT DISCUSSION AND ANALYSIS

In the first half of 2026, the international situation was still austere, complicated and changeable, geopolitical and economic uncertainties continued to weigh on global financial markets. Geopolitical uncertainties also persisted, weighing on international trade and investment sentiment. However, the domestic economy in China maintained a steady recovery trend with improving momentum. The People's Republic of China ("**PRC**") government enhanced its policy support, particularly in the fourth quarter of 2025, rolling out measures to boost domestic consumption, stabilise the property market, and promote high-quality development through technological innovation and industrial upgrading. Nevertheless, entering the first half of 2026, the domestic economic recovery required some time, and both consumer confidence and public investment remained heavily subdued during the six months ended 30 June 2026.

The financial technology ("**FinTech**") industry is a technology-driven financial innovation industry. The booming digital economy has provided a broad space for its development and the rapidly evolving digital technology has injected abundant vitality into the digital transformation of finance. Despite uncertainties in the development environment both domestically and abroad, the comprehensive development of digital transformation of finance driven by FinTech has become a definite trend with marvellous development prospects. As China emerged from the pandemic, the national economy has steadily restarted. The FinTech sentiment index has reached a new record since pandemic, reflecting the greater resilience and expected steady growth of the industry. China's FinTech industry is now projected to see its transaction value expand to USD10.06 trillion by 2030, representing a compound annual growth rate (CAGR) of 15.67% for the forecast period, demonstrating the industry's immense long-term potential.

Despite various government policies and efforts, for the first half of 2026 the real estate market in the PRC revealed a deeply challenging environment, as national property development investment, sales area, and sales revenue of commercial buildings all continued their downward trajectory with persistent year-on-year contractions. Market data from the first half of 2026 indicated that homebuyer sentiment and transactional volumes remained structurally weak, reflecting deep-seated caution over income growth and future property values, while real estate developers continued to navigate severe liquidity constraints and high debt burdens. It is expected that in 2026, the real estate market will still be deeply mired in the stage of adjustment and transformation, and the bottoming-out process will be more protracted and challenging than initially anticipated.

In respect of inflation, the PRC economy is still operating below potential output and the overall inflationary pressure is low. As of June 2026, the PRC consumer price index (CPI) rose by a modest 1% year-on-year and Producer Price Index (PPI) rose by 4.1% year-on-year. We believe that while upstream production costs have risen, the downstream consumer market is still difficult to get rid of downward pressure in a short period of time, and the domestic demand needs to be strengthened by policies, as the widening divergence between rising commodity costs and sluggish consumer demand recorded in the first half of 2026 underscores a structural mismatch, placing severe margin pressures on enterprises amidst persistent gap between industrial capacity and actual market consumption.

MANAGEMENT DISCUSSION AND ANALYSIS

Against this backdrop and macro environment, which demanded greater strategic resilience and tighter risk management in the first half of 2026, the Group has been exploring new growth approaches to capture potential opportunities arising from the new form of economic development, while seeking opportunities and launching initiatives for investing and participating in particularly FinTech and new economy sectors and striving for greater room to expand its operations in pursuit of sustainable development and stable return.

For the six months ended 30 June 2026, the Group's revenue was HK$485.7 million, increasing by 67.9% as compared to the same period of last year. Gross profit was HK$251.1 million, increasing by 23.6% as compared to the same period of last year. The Company recorded a loss attributable to owners of the Company of HK$196.1 million during the six months ended, as compared to a loss attributable to owners of the Company of HK$507.1 million for the same period of last year. Basic loss per share amounted to HK$0.45, as compared to the basic loss per share amounted to HK$1.59 for the same period of last year.

FINANCING SERVICES BUSINESS

Financing services business is principally engaged in provision of efficient financial solutions and multiple consultancy services, to satisfy technology and new economy companies' demands for financial services at different stages of development. The financing services business is financed by the Group's internal resources. In view of the fast development and adjustment in the financing services business in the PRC in recent years and our high standard requirements and emphasis on risk assessment on customers, the current source of customers are mainly by referral of close business partners or customers with excellent credit records.

As at 30 June 2026, the Group has a total of 3 borrowers (31 December 2025: 3) with total outstanding loan principal and interest receivables in the sum of HK$118.6 million (31 December 2025: HK$112.8 million), which comprised of entrusted loans of HK$114.5 million (31 December 2025: HK$108.5 million) to 1 borrower (31 December 2025: 1), other loans of HK$4.1 million (31 December 2025: HK$4.3 million) to 2 borrowers (31 December 2025: 2). As at 30 June 2026, a sum of HK$114.5 million (31 December 2025: HK$108.5 million) was due from the largest borrower of the Group and an aggregate sum of approximately HK$118.6 million (31 December 2025: HK$112.8 million) was due from the five largest borrowers of the Group.

As at 30 June 2026, the Group's outstanding loan receivables analysed as follows:

	30 June 2026		31 December 2025	
	HK$'million (unaudited)	***% of total***	*HK$'million (audited)*	*% of total*
Current	**114.5**	**96.5%**	108.5	96.2%
Non-current	**4.1**	**3.5%**	4.3	3.8%
Total	**118.6**	**100.0%**	112.8	100.0%

For the six months ended 30 June 2026, the interest income from financing services business amounted to HK$2.7 million (six months ended 30 June 2025: HK$7.3 million) which mainly comprised interest income from entrusted loans of HK$2.7 million (six months ended 30 June 2025: HK$3.6 million) and interest income from other loans of HK$0.08 million (six months ended 30 June 2025: HK$3.7 million).

The Group has provided entrusted loan to PRC customer. Entrusted loan is loan made to the customer, using a licensed bank as a servicing agent. The Group will pay the licensed bank a service fee and the credit risk is borne by the Group. Entrusted loans service is regulated by the Administrative Measures on Entrusted Loans of Commercial Banks* (《商業銀行委託貸款管理辦法》) issued by China Banking and Insurance Regulatory Commission* (中國銀行保險監督管理委員會). During the six months ended 30 June 2026, the entrusted loan is unsecured, interest rate is fixed at 5% per annum (31 December 2025: 5%) with terms of 1 year (31 December 2025: 1 year). As at 30 June 2026 and 31 December 2025, entrusted loan is provided to an independent third party with principal of RMB100 million and RMB100 million respectively which were secured by a share charge of 49% equity interest of the borrower. Subsequent to 30 June 2026, entrusted loan was fully repaid on 12 August 2026.

As at 30 June 2026, loan receivables from independent third parties are unsecured, carried at fixed interest rate ranged from 3.0% to 5.0% (31 December 2025: 3.0% to 5.0%) per annum.

Credit risk and impairment assessment

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit rating system to assess the potential customer's credit quality and defines credit limits by customer. The internal credit rating system is a matrix of factors by performing background search and considering historical creditworthiness information, industry recognition. Credit risk of loans receivables, finance lease receivables, entrusted loans and receivables-based lending services are assessed individually. Collateral can be one of the ways to mitigate credit risk to certain extent, nevertheless, the Group mostly provides financing services based on the stringent credit assessment and puts more emphasis on the counterparties' ability to meet obligations out of their cash flows, income, net worth and historical credit records.

The Group has closely monitored the recoverability of the receivables to these counterparties, including considering the reasonableness and supportiveness of both available quantitative and qualitative information, ensured that adequate collateral is received from these counterparties and taken effective measures to ensure timely collection of outstanding balances. Effective measures include periodic visits to customers, regular updates of financial information and obtaining customer's future prospects.

Management has overall responsibility for the Group's credit policies and oversees the credit quality of the Group's receivables and loans portfolio. In addition, management reviews the recoverable amount of loan receivables individually at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts.

For the six months ended 30 June 2026, the reversal of impairment loss on loan receivables amounted to approximately HK$1.8 million (six months ended 30 June 2025: provision for impairment loss on loan receivables amounted to approximately HK$1.1 million), representing a change of approximately HK$2.9 million. The net impairment loss was comprised of a reversal of impairment loss made for loan receivables categorised for entrusted loans of approximately HK$1.8 million (six months ended 30 June 2025: a reversal of impairment loss of approximately HK$2.5 million) and an impairment loss made for loan receivables categorised for other loans of approximately HK$nil (six months ended 30 June 2025: an impairment loss made of approximately HK$3.6 million), respectively. The Group applies general approach to provide for Expected Credit Loss for loan receivables in accordance with Hong Kong Financial Reporting Standard ("**HKFRS**") 9 Financial Instruments. Loans receivables are assessed individually by the management of the Group by reference to past default experience, current past due exposure of the debtor, the nature and prospect of the debtor's operation.

* *For identification purpose only*

In determining whether there have been significant increases in credit risk, the following key criteria are taken into account:

(a) an actual or expected significant deterioration in the borrower's external (if available) or internal credit rating;

(b) significant deterioration in external market indicators of credit risk for the corporate borrower;

(c) existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the borrower's ability to meet its debt obligations;

(d) an actual or expected significant deterioration in the operating results of the corporate borrower;

(e) significant increases in credit risk on other financial instruments of the same corporate borrower;

(f) an actual or expected significant adverse change in the regulatory, economic or technological environment of the borrower that results in a significant decrease in the borrower's ability to meet its debt obligations;

(g) status of the loan and interest receivables as at the reporting date, including any breach of contract such as a default or past due event as at the reporting date; and

(h) whether it is probable that the borrower will enter bankruptcy or other financial reorganisation.

A borrower will be regarded as credit-impaired if he/she is in default of the loan principal, or has entered bankruptcy or other financial reorganisation, or has severely delayed payments of the loan principal or interests.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

AA Investment Management Limited ("**AA Investment**") is a wholly-owned subsidiary of the Company and is a Hong Kong-based wealth management and asset management company which holds Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) Licenses of the Securities and Futures Commission ("**SFC**") to carry out regulated activities in the financing services sector. During the period, AA Investment uplifted its Type 4 and Type 9 Licenses to conduct virtual asset-related activities within a limited scope, enabling the Company to evaluate and explore potential business opportunities in this evolving sector.

AA Investment offers its retail and institutional clients a fully digital investment fund dealing and discretionary portfolio management services through different channels (mobile application and/or backend integration). Looking ahead, AA Investment's management team will continue to adopt prudent and client centric strategies, safeguarding client interests while capturing opportunities presented by the ongoing improvements in the Hong Kong and broader Asian markets.

Amid the ongoing evolution of the macroeconomic environment and the financial technology landscape, the Group remains well-positioned to capture emerging opportunities. We maintain a constructive medium-to-long-term outlook on the growth potential of innovative enterprises and the digital asset ecosystem. The Group will continue to enhance its digital service capabilities, adhere to robust risk management discipline, and prudently advance its strategic initiatives.

JOINT VENTURE – ZHONGAN TECHNOLOGIES INTERNATIONAL GROUP LIMITED ("ZA GLOBAL")

Peak3 (Hong Kong) Limited ("Peak3") (Overseas Technology Export)

Peak3 (formerly known as ZA Tech), was incubated by ZA Global in 2018 as an independently operated technology group dedicated to providing technology solutions to international enterprise customers. Its main product portfolio includes Graphene, a cloud-native, AI-ready and modular insurance core platform, and Fusion, a cloud instance distribution and orchestration platform. Peak3's solutions cover life, health and property & casualty insurance, and are widely adopted by leading global insurers, digital platforms and other intermediaries.

ZA Bank Limited ("ZA Bank")

ZA Bank, a subsidiary of ZA Global and a digital bank in Hong Kong, became one of the first banks in Hong Kong having been granted a digital banking license in 2019, and officially commenced operation in 2020. ZA Bank aims to build a one-stop digital financial service platform in Hong Kong to provide diversified, convenient and inclusive financial services to retail customers and SMEs. At present, ZA Bank has become one of the digital banks in the Hong Kong market that offers the most comprehensive functions and products, building a one-stop integrated digital financial service platform through its mobile app, which operates in a fully digitalized mode. The bank is currently one of the few digital banks that offers users 24/7 services such as deposits, loans, transfers, card spending, foreign exchange, insurance, investment and business banking.

In the first half of 2026, ZA Bank's key indicators performed well, with profitability steadily improving. Net profit amounted to HK$71 million, which was approximately 1.5 times that of the corresponding period of last year. Net revenue increased by approximately 26.6% year-on-year to HK$578 million. Net fee and commission income reached HK$375 million, representing a year-on-year increase of 25.9%, while net handling charges and commission income increased by 75.7% to HK$123 million. Net profit margin increased from 10.8% to 12.2%, with profitability continuing to be enhanced. At the same time, benefiting from the decrease in the cost of deposit-taking, ZA Bank's net interest margin further improved from 2.38% for the corresponding period of last year to 2.99% in the first half of 2026, outperforming the industry average. As of 30 June 2026, ZA Bank's total assets increased by 7.9% as compared to the end of last year to approximately HK$26,819 million.

ZA Bank consistently optimizes its products and services, allowing users to seamlessly access diversified product offerings within a single App, including investment services such as Hong Kong stocks, US stocks, funds and cryptocurrencies. In 2026, ZA Bank continued to expand its retail wealth management footprint. In January, it officially launched H-share IPO subscription services, further supplementing its investment service offerings and enhancing customer capital efficiency and investment convenience. In April, it introduced a feature enabling direct subscription for USD-denominated funds with Hong Kong dollars, whereby HKD balances in customer accounts can be automatically converted in real time to subscribe for USD-denominated funds directly, eliminating the procedure for customers to proceed foreign exchange transactions in advance. This simplifies the foreign currency asset allocation process and lowers the threshold for investing in overseas funds. In June, ZA Bank officially launched the Cross-border Wealth Management Connect business, becoming the first digital bank in Hong Kong to offer Southbound Connect services. Investors from the Greater Bay Area who meet regulatory qualifications can invest in Hong Kong-licensed wealth management products through partner banks under a regulated closed-loop fund management framework. ZA Bank is committed to delivering one-stop investment and wealth management experience. As of 30 June 2026, the AUM of Invest users increased by 155.4% as compared to 30 June 2025. Invest has become the primary driver of net fee and commission income growth.

MANAGEMENT DISCUSSION AND ANALYSIS

PROPERTY RENTAL

For the six months ended 30 June 2026, total rental income amounted to HK$170.6 million, representing a decrease of 10.5% as compared to the same period of last year. The decrease in rental income was mainly attributable to the softer leasing demand and intensified market competition across the Group's commercial property portfolio in Shenzhen, driven by an influx of newly completed commercial developments in adjacent areas.

The aforesaid rental income was mainly contributed by our commercial property portfolio, composed of *The Vi City, Sinolink Garden Phase One to Four, Sinolink Tower and Rockbund.*

Sinolink Tower

Located in the Luohu district in Shenzhen, *Sinolink Tower*, composed of the hotel and office complex of *Sinolink Garden Phase Five*, has a total gross floor area ("**GFA**") of approximately 50,000 square metres, of which hotel space occupies 30,000 square metres and office space occupies 20,000 square metres.

As at 30 June 2026, the occupancy rate of the office portion of *Sinolink Tower* was approximately 38%. Tenants are mainly engaged in jewellery, trading and real estate business.

O Hotel, the Group's first hotel that is dedicated to delivering a personalised experience, has 188 rooms and suites, a trendy restaurant, a specialty coffee shop, a premium fitness club and other facilities. During the six months ended 30 June 2026, the hotel continued to operate in a challenging business environment. In the post-COVID period, the occupancy rate was still at a low level of approximately 9.0%. The management has adopted measures for more stringent cost control and better services to improve the overall performance of the hotel.

Rockbund

Located in the Bund in Shanghai, *Rockbund* is an integrated property project which has a total site area of approximately 18,000 square metres with a GFA of approximately 105,000 square metres, of which an aggregate GFA of 15,943.98 square metres was sold in 2024 and 2025. The project comprises of the repairs and operation of heritage buildings, and the construction of some new structures. The Group has proceeded to redevelop the historical site and structures into an upscale mixed-use neighborhood with residential, commercial, retail, food and beverages, offices and cultural facilities. The preserved heritage buildings have already commenced operation and have been leased out. The entire project had commenced operations gradually since the completion of the construction in 2023.

COMPLETED PROPERTIES HELD FOR SALE

As at 30 June 2026, the Group has the following completed properties held for sale:

Rockbund Residential Project

Situated at the confluence of the Huangpu River and Suzhou Creek within the Rockbund precinct, the project is bounded by Yuanmingyuan Road to the east, Huqiu Road to the west, South Suzhou Road to the north, and Beijing East Road to the south. As one of the first neighbourhoods in Shanghai to undergo urban regeneration, Rockbund has completed nearly two decades of restoration and development. Leveraging its unique location, deep historical roots, diverse architectural heritage, and premium commercial and cultural intellectual property, it has established itself as a model for urban renewal and future development.

The residential component of Rockbund is primarily housed within three newly constructed 14-storey buildings with three basement levels at Rockbund Anren. The project offers a total of 27 exclusive units, with floor areas ranging from approximately 224 to 567 square meters. Marketing and sales initiatives are currently underway through appointed sales agents.

During the six months ended 30 June 2026, the sale of two units of approximately HK$258.7 million, was completed and the relevant revenue has been recognised during the period. As at 30 June 2026, sale and purchase agreements have been signed for another four units, representing an aggregate consideration of approximately HK$521.1 million, with deposits of approximately HK$284.7 million received. The remaining units are being progressively released to the market in alignment with prevailing market conditions.

Ningguo Mansions

Located in the Changning District of Shanghai, *Ningguo Mansions* is a residential project with a total site area of 13,600 square metres and a plot ratio of 1.0, developed into 11 quadrangle courtyards boasting a fusion of Chinese and Western cultures, each with a GFA of 1,000 to 1,500 square metres. David Chipperfield Architects, a British architecture design company, is in charge of the construction, decoration and design of the project. Situated in one of the most accessible, low-density and tranquil luxury neighborhoods in Shanghai, *Ningguo Mansions* is approximately 10-minute and 30-minute ride away from the airport and the downtown respectively.

The project has 4 luxuriously decorated and 7 bare shells quadrangle courtyard properties that showcase a fusion of Chinese and Western cultures. As at 30 June 2026, a sale and purchase agreement has been signed for one unit, representing an aggregate consideration with deposits of approximately HK$217.4 million.

OTHER BUSINESSES

Other businesses within the Group include property and facility management services. For the six months ended 30 June 2026, the Group recorded a revenue of HK$53.7 million from other businesses, representing a decrease of 41.2% as compared to the same period of last year.

SIGNIFICANT INVESTMENT

As at 30 June 2026, total equity instruments at fair value through other comprehensive income amounted to HK$789.4 million (31 December 2025: HK$1,360.1 million), mainly representing that of ZhongAn Online owned by the Group of approximately HK$729.0 million (31 December 2025: HK$1,303.3 million), which was measured at fair value at the end of this reporting period. As at 30 June 2026, the significant investment of the Group is as follows:

	Number of shares held as at 30 June 2026	Percentage of shareholding as at 30 June 2026	Unrealised fair value (loss)/gain recognised in other comprehensive income for six months ended 30 June 2026	Realised fair value (loss)/gain recognised in other comprehensive income for the six months ended 30 June 2026	Dividends received for the six months ended 30 June 2026	Approximate percentage of the Group's total assets as at 30 June 2026	Cost of investment	Market value as at 30 June 2026
		%	*HK$'000*	*HK$'000*	*HK$'000*	*%*	*HK$'000*	*HK$'000*
Hong Kong listed shares – ZhongAn Online (Stock code: 6060)	81,000,000	4.95	(618,168)	–	–	4.60	92,000	729,000

ZhongAn Online is an online Insurtech company, incorporated in the PRC with limited liability and is a joint stock company engaged in FinTech business, which provides internet insurance services, insurance information technology services and online banking services to customers.

The performance and prospects of the Group's significant investment during the six months ended 30 June 2026 are detailed below:

During the six months ended 30 June 2026, the gross written premiums of ZhongAn Online was approximately RMB16,558 million, representing a decrease of approximately 0.6% compared to the same period of last year; the net profit attributable to owners of the parent company was approximately RMB1,550 million, as compared to RMB668 million of the same period of last year.

Of all the industries, we consider that the FinTech industry has the greatest development potential. FinTech has experienced rapid development over the past several years, and this technology is continuously being applied to various financial service scenarios, which not only increases the efficiency of the financial service industry, but also provides the general public with more products and service options.

CONVERTIBLE BONDS

In addition to the information disclosed in the section headed "CONVERTIBLE BONDS" in the 2025 Annual Report, the Board would like to provide additional information pursuant to paragraphs 11(8)(b) of Appendix D2 to the Rules Governing the Listing of Securities (the "**Listing Rules**") of the Stock Exchange, in particular, in relation to the use of net proceeds as follows:

As of 30 June 2026, the intended use and actual use of the net proceeds from the Convertible Bonds, as well as the unutilised net proceeds therefrom are as follows:

	Intended use of net proceeds from the Convertible Bonds *HK$'million*	Utilised amount during the year ended 31 December 2024 *HK$'million*	Utilised amount during the year ended 31 December 2025 *HK$'million*	Utilised amount during the six months ended 30 June 2026 *HK$'million*	Unutilised net proceeds as at 30 June 2026 *HK$'million*
Business development of the Group	119.00	—	20.00	10.00	89.00
Partial repayment of outstanding bank loans	59.50	59.50	—	—	—
General working capital	19.84	19.84	—	—	—
Total	198.34	79.34	20.00	10.00	89.00

Subsequent to 30 June 2026 and up to the date of this interim report, the Group has further utilised HK$10 million of the net proceeds for business development. The Group is still prudently seeking new investment opportunities for business development and expects to utilise the remaining net proceeds by December of 2026, the actual use of net proceeds will be subject to the market conditions, ongoing negotiations and investment appraisals.

PROSPECTS

The outlook for the remainder of 2026 is characterised by a challenging path toward economic recovery. The global economic recovery remains highly uneven and fragmented, and the volatile trajectory of monetary policies has introduced unexpected market fluctuations rather than immediate liquidity relief. For China, we expect the macroeconomic policy support to be further strengthened, with a strategic focus on stimulating domestic demand and deepening industrial upgrading, while remaining realistic that the transmission of these supportive measures will require a prolonged period to overcome deep-seated structural pressures and revive private sector confidence, meaning that the macro environment will likely remain volatile and fraught with downside risks in the near term.

The FinTech industry remains a cornerstone of the future global economy. We believe the structural shift towards a digital-native economy is an irreversible mega-trend. The rise of interconnected digital ecosystems, which re-architect the financial landscape, presents marvellous development prospects.

Our strategic priority will be the continued expansion of our FinTech business, mainly building on the capabilities of our strategic collaborations. For our real estate portfolio, we will continue the strategy of marketing certain residential properties, aiming to monetise these assets at favourable valuations as market opportunities arise amidst the deeply challenging property environment and sluggish transactional sentiment recorded in the first half of 2026.

By focusing our efforts on the promising FinTech sector while prudently managing our real estate portfolio, we believe this balanced approach will enable the Group to navigate market cycles effectively and build sustainable, long-term value for our shareholders amidst a highly challenging, volatile, and unpredictable macroeconomic landscape.

FINANCIAL REVIEW

During the six months ended 30 June 2026, total revenue of the Group was HK$485.7 million (six months ended 30 June 2025: HK$289.3 million), increasing by 67.9% as compared to the same period of last year. The significant increase in revenue was mainly attributable to the sales of properties of approximately HK$258.7 million recognised during the six months ended 30 June 2026.

The Group recorded other income of approximately HK$27.6 million for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$24.0 million). The other income for the six months ended 30 June 2026 was mainly contributed from the bank interest income from bank deposits and pledged bank deposits and dividends from financial assets at fair value through profit or loss.

The total operating costs (including direct costs, selling and administrative expenses) for the six months ended 30 June 2026 was approximately HK$330.8 million (six months ended 30 June 2025: total operating costs of HK$211.0 million), representing an increase of approximately 56.7%. Such increase was primarily attributable to the recognition of the cost of properties sold during the six months ended 30 June 2026.

The Group recorded a net reversal of impairment loss on financial assets of approximately HK$0.8 million for the six months ended 30 June 2026 (six months ended 30 June 2025: a charge of impairment loss of HK$2.5 million). The turnaround was mainly attributable to such reversal was mainly attributable to the reassessment of expected credit losses on an entrusted loan granted to a borrower, taking into account its approaching maturity as at 30 June 2026.

The Group recorded a fair value loss of the investment properties of approximately HK$163.7 million for the six months ended 30 June 2026 (six months ended 30 June 2025: a fair value gain of HK$3.5 million), mainly contributed by the capital depreciation of our commercial property portfolio located in the PRC for rental.

The Group recognised finance costs of approximately HK$39.2 million for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$52.9 million). The decrease was mainly due to the repayment of part of bank borrowings.

The Group recorded other losses of approximately HK$76.8 million for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$3.9 million). The increase was mainly attributable to the write-off of rental receivables arising from initial business combination treatment. Any further write-off in the second half of 2026 will be reviewed and assessed at the end of 2026.

The Group recorded loss attributable to the owners of the Company of HK$196.1 million during the six months ended 30 June 2026, compared to loss attributable to the owners of the Company of approximately HK$507.1 million for the six months ended 30 June 2025. This was mainly due to the various factors outlined above and the net effects of the following factors:

(i) no fair value gain or loss on convertible bonds for the six months ended 30 June 2026. The Group recorded a fair value loss on convertible bonds of approximately HK$497.9 million for the six months ended 30 June 2025; and

(ii) an increase in share of loss of investments accounted for using the equity method for the six months ended 30 June 2026. The Group recorded a share of loss of investments accounted for using the equity method of approximately HK$34.2 million for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$9.0 million).

The Group's total borrowings was HK$2,154.5 million as at 30 June 2026 (31 December 2025: HK$2,219.2 million). The borrowings of the Group are denominated in RMB and are interested at floating rate. The Group's borrowings are denominated as follows:

	30 June 2026 *HK$'million* *(unaudited)*	31 December 2025 *HK$'million* *(audited)*
RMB	**2,154.5**	2,219.2

They were due for repayment within the following periods:

	30 June 2026 *HK$'million* *(unaudited)*	31 December 2025 *HK$'million* *(audited)*
Within 1 year	**50.5**	52.6
Within 1 year, which contain a repayment on demand clause	**278.5**	268.0
After 1 year but within 2 years	**60.6**	63.0
After 2 years but within 5 years	**262.5**	273.4
After 5 years	**1,502.4**	1,562.2
Total	**2,154.5**	2,219.2

The management of the Group will continue to evaluate and closely monitor the borrowing portfolio and interest rate risks of the Group, and may consider taking appropriate measures to hedge material interest rate risks when necessary.

CHARGE OF ASSETS

As at 30 June 2026, property, plant and equipment of HK$194.5 million (31 December 2025: HK$189.6 million), investment properties of HK$4,535.1 million (31 December 2025: HK$4,431.9 million), completed properties held for sale of HK$2,076.4 million (31 December 2025: HK$2,176.2 million), bank deposits of HK$181.0 million (31 December 2025: HK$174.8 million) and trade receivables of HK$12.6 million (31 December 2025: HK$11.5 million) were pledged to banks to secure general banking facilities granted to the Group.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, the Group's gearing ratio, calculated on the basis of total borrowings over total equity, was 20.0% as compared with 19.8% as at 31 December 2025.

FOREIGN EXCHANGE EXPOSURE

Majority of the subsidiaries of the Group operate in the PRC with most of the transactions in relation to operations are denominated and settled in RMB. Fluctuations of RMB exchange rates would impact the Group's net asset value in the preparation of the Group's consolidated accounts. If RMB appreciates/depreciates against HK$, the Group would record a(n) increase/decrease in the Group's net asset value. During the six months ended 30 June 2026, in respect of the Group's exposure to potential foreign exchange risks arising from the currency exchange rate fluctuations, it did not make any arrangement or use any financial instruments to hedge against potential foreign exchange risks. However, the management will continue to monitor foreign exchange risks and adopt hedging measures where necessary.

CAPITAL COMMITMENTS

As at 30 June 2026, the Group had commitments of HK$83.0 million (31 December 2025: HK$48.6 million) in respect of properties under development.

CONTINGENT LIABILITIES

As at 30 June 2026, guarantees offered to banks as security for the mortgage loans arranged for the Group's property buyers amounted to HK$1.6 million (31 December 2025: HK$1.5 million).

EVENTS AFTER THE REPORTING PERIOD

Proposal for the Privatisation of the Company by the Offeror by way of a scheme of arrangement under section 99 of the Companies Act (the "Proposal") and Proposed Withdrawal of Listing

As disclosed in the announcement (the "**Joint Announcement**") dated 21 July 2026 jointly issued by the Company and Asia Pacific Promotion Limited (the "**Offeror**"), the Offeror requested the Board to put forward the Proposal to the registered holders (the "**Scheme Shareholders**") of all of the Share(s) in issue and any further Share(s) as may be issued prior to the scheme record date, other than those held by the Offeror and Mr. OU Yaping and his spouse (the "**Scheme Share(s)**") for the privatisation of the Company by way of a scheme of arrangement under section 99 of the Companies Act (the "**Scheme**"). The Scheme will involve the cancellation of the Scheme Shares and, in consideration, the payment to the Scheme Shareholders of the cancellation price of HK$6.60 per Scheme Share in cash for each Scheme Share cancelled and the withdrawal of the listing of the Company's shares from the Stock Exchange. The completion of the Proposal and proposed withdrawal of listing are subject to the conditions of the Proposal and the Scheme as set out in the Joint Announcement. For further details of the Proposal and the proposed withdrawal of listing, please refer to the Joint Announcement.

INTERIM DIVIDEND

In order to retain resources for the Group's business development, the Board does not declare an interim dividend for the six months ended 30 June 2026 (2025: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group employed approximately 688 full time employees. The Group recognizes the importance of high caliber and competent staff and continues to provide remuneration packages to employees with reference to prevailing market practices and individual performance. Other various benefits, such as medical and retirement benefits, are also provided. In addition, share options may be granted to eligible employees of the Group in accordance with the terms of the share option scheme adopted by the Group.

AUDIT COMMITTEE

The Company has an audit committee (the "**Audit Committee**") which was established in accordance with the requirements of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting processes and internal controls. The Audit Committee comprises three independent non-executive directors, namely Mr. Cheung Adrian Jeremy Ka Hing, Mr. Tian Jin and Mr. Xin Luo Lin. The Audit Committee meets regularly with the Company's senior management and the Company's external auditor to consider the Company's financial reporting process, the effectiveness of internal controls, the audit process and risk management.

The Audit Committee has reviewed and discussed the unaudited interim condensed consolidated financial information for the six months ended 30 June 2026 which have been prepared in accordance with applicable standards, the Listing Rules and the statutory provisions and sufficient disclosure have been made. In addition, the Company's external auditor, Deloitte Touche Tohmatsu, has performed an independent review of the Group's unaudited interim condensed consolidated financial information for the six months ended 30 June 2026 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

PUBLICATION OF INTERIM REPORT ON THE WEBSITE OF THE STOCK EXCHANGE

The Company's 2026 Interim Report containing the relevant information required by the Listing Rules will be published on the website of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our gratitude to all staff for their devoted efforts and hard work.

By Order of the Board
Z Fin Limited
TANG Yui Man Francis
Chairman and Chief Executive Officer

Hong Kong, 31 August 2026

OTHER INFORMATION

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

There was no purchase, sale or redemption of the Company's listed shares (including any sale and transfer of treasury shares) by the Company or any of its subsidiaries for the six months ended 30 June 2026.

CORPORATE GOVERNANCE

During the period, the Company has complied with the code provisions as set out in the Corporate Governance Code in Appendix C1 of the Listing Rules save as disclosed below:-

(1) Pursuant to code provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the period, Mr. Tang Yui Man, Francis has undertaken both the roles of the Chairman of the Board and the Chief Executive Officer of the Group. Having considered the current business operation and the size of the Group, the Board is of the view that Mr. Tang Yui Man Francis acting as both the Chairman and the Chief Executive Officer is acceptable and in the best interest of the Group. There is adequate balance of power and safeguards in place as there are three independent non-executive directors on the board. The Board has reviewed and monitor this situation periodically and ensures that the present structure would not impair the balance of power of the Company.

(2) Pursuant to code provision B.3.5, issuers should appoint at least one director of a different gender to the nomination committee. Following the resignation of Ms. CHEN Hui as an independent non-executive director and a member of nomination committee of the Company (the "Nomination Committee") on 30 August 2025, the Nomination Committee comprises one executive director and three independent non-executive directors with a single gender. The board considers that although all members of the Nomination Committee are currently of a single gender, the Company has established a board diversity policy, and the Board already has a female non-executive director. The Company continues to promote diversity and inclusiveness (including gender diversity) in its director selection and appointment processes. When reviewing the composition of the Board, the appointment and re-election of directors, and the formulation of succession plans, the Nomination Committee strictly adheres to the board diversity policy and continues to build a diversified talent pipeline.

    The Board is of the view that the current Board as a whole possesses a balanced and reasonable mix of professional expertise, industry experience and career backgrounds; all directors have extensive senior management experience, which is sufficient to ensure the efficient operation of the Company's governance and effective strategic oversight. The Company will continue to optimise and adjust the composition of the Board committees in the future, maintain a high standard of corporate governance, and ensure the effective implementation of supervisory functions.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the directors. Having made specific enquiry of all directors, the Company confirmed that in respect of the six months ended 30 June 2026, all directors have complied with the required standard set out in the Model Code.

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATION

At 30 June 2026, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")) which were required pursuant to: (a) divisions 7 to 9 of Part XV of the SFO, to be notified to the Company and the Stock Exchange; (b) Section 352 of Part XV of the SFO, to be entered in the register referred to therein; or (c) the Model Code, to be notified to the Company and the Stock Exchange were as follows:

Long positions in shares or underlying shares of the Company

		Interest in shares						
Name of Directors	**Capacity**	**Personal interest**	**Corporate interest**	**Family interest**	**Total interest in shares**	**Interest in underlying shares pursuant to share options**	**Aggregate interest**	**Approximate percentage of the issued shares of the Company as at 30.6.2026**
Tang Yui Man Francis	Beneficial owner	1,068,750	–	–	1,068,750	–	1,068,750	0.24%
Xu Xiujuan	Beneficial owner	34,000	–	–	34,000	–	34,000	0.01%

Save as disclosed above, as at 30 June 2026, none of the directors or chief executive of the Company had, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation or any interests which are required to be entered into the register kept by the Company pursuant to Section 352 of the SFO.

DISCLOSURE OF CHANGE OF DIRECTORS' INFORMATION

Changes in information of directors of the Company required to be disclosed under Rule 13.51B(1) of the Listing Rules are set below:-

(1) Ms. Xu Xiujuan was appointed as a director and the legal representative of Jiadeyu Information Consulting (Shenzhen) Limited*, a non wholly-owned company held by the controlling shareholder, on 15 May 2026; and

(2) Ms. Xu Xiujuan was appointed as a director of Sinolink Properties Limited and Cnhooray Internet Technology Co. Ltd. on 16 June 2026 and 18 June 2026 respectively, both companies being the subsidiaries of the Company.

Save as disclosed above, there was no other change in the information of the directors of the Company that is required to be disclosed under Rule 13.51B(1) of the Listing Rules as at the date of this interim report.

SHARE OPTION SCHEMES OF THE COMPANY

(A) 2022 Share Option Scheme

A share option scheme was adopted by shareholders of the Company at the annual general meeting on 31 May 2022 (the "**2022 Share Option Scheme**"), under which the Board may, at its discretion, offer any employees of the Group or any directors of the Company or its subsidiaries options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2022 Share Option Scheme has a life of 10 years from 31 May 2022 and no options were granted since the date of its adoption up to its termination. The 2022 Share Option Scheme was terminated by the resolution of the shareholders in accordance with the terms of the said scheme upon the adoption of the 2026 Share Option Scheme on 8 June 2026.

The number of share options available for grant under the scheme mandate of the 2022 Share Option Scheme as at 1 January 2026 and 8 June 2026 (date of termination) were 31,870,015 shares (representing 7.3% of the issued shares of the Company as at the said dates).

* *For identification purpose only*

(B) 2026 Share Option Scheme

A new share option scheme was adopted by shareholders of the Company at the annual general meeting on 8 June 2026 (the "**2026 Share Option Scheme**"), under which the Board may, at its discretion, offer any employees of the Group, any directors of the Company or its subsidiaries or other eligible participants options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2026 Share Option Scheme has a life of 10 years from 8 June 2026 and no options were granted since the date of its adoption.

The number of share options available for grant under the scheme mandate of the 2026 Share Option Scheme as at 8 June 2026 (date of adoption), 30 June 2026 and the date of this interim report were 43,634,721 shares (representing 10% of the issued shares of the Company as at the said dates).

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

At 30 June 2026, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of directors, the following shareholder(s) had notified the Company of relevant interests and short positions in the issued shares of the Company:

Long Positions in Shares or Underlying Shares of the Company

Name of shareholder	**Capacity**	**Nature of Interest**	**Interest in Shares**	**Approximate percentage of the Company's issued shares at 30.6.2026**
Asia Pacific Promotion Limited ("**Asia Pacific**")	Beneficial owner	Beneficial interest	281,262,522 *(Note 1)*	64.46%
Cheung Loi Ping	Interest held jointly with another person and Interest of spouse	Family interest	281,918,208 *(Note 2)*	64.61%
Ou Yaping	Beneficial owner, Interest held jointly with another person and interest of controlled corporations	Personal interest, family interest and corporate interest	281,918,208 *(Notes 1 & 2)*	64.61%

Notes:

1. These 281,262,522 shares of the Company are held by Asia Pacific, a company incorporated in the British Virgin Islands, which is wholly-owned by Mr. Ou Yaping ("**Mr. Ou**"). Accordingly, Mr. Ou is deemed to be interested in these shares of the Company held by Asia Pacific under the SFO.

2. These 281,918,208 shares of the Company represent the aggregate of (i) 655,686 shares of the Company held jointly by Mr. Ou and Ms. Cheung Loi Ping, spouse of Mr. Ou; and (ii) 281,262,522 shares of the Company held by Asia Pacific directly as referred to note 1 above. Each of Ms. Cheung Loi Ping and Mr. Ou is deemed to be interested in all these shares of the Company under the SFO.

Save as disclosed above, as at 30 June 2026, the Company has not been notified of any other interests or short positions in the shares or underlying shares of the Company which had been recorded in the register required to be kept under Section 336 of the SFO.

Deloitte. 德勤

To the Board of Directors of Z Fin Limited

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Z Fin Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 21 to 50, which comprise the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss, 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 notes to the condensed consolidated financial statements. 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 these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

OTHER MATTER

The comparative condensed consolidated statement of profit or loss, comparative condensed statement of profit or loss and other comprehensive income, comparative condensed statement of changes in equity and comparative condensed statement of cash flows for the six-month period ended 30 June 2025 and the relevant notes included in these condensed consolidated financial statements were extracted from the interim financial information of the Group for the six-month period ended 30 June 2025 reviewed by another auditor who expressed an unmodified conclusion on the interim financial information on 29 August 2025. The comparative condensed consolidated statement of financial position as at 31 December 2025 were extracted from the consolidated financial statements of the Group for the year ended 31 December 2025 audited by the same auditor who expressed an unmodified opinion on those statements on 20 March 2026.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
31 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Notes	Six months ended 30 June 2026 HK$'000 (unaudited)	30 June 2025 HK$'000 (unaudited)
Revenue			
Interest income		**2,698**	7,341
Rental income		**170,588**	190,506
Revenue from contracts with customers		**312,457**	91,444
Total revenue	6	**485,743**	289,291
Direct costs		**(234,601)**	(86,096)
Gross profit		**251,142**	203,195
Other income	7	**27,565**	23,986
Selling expenses		**(19,211)**	(9,644)
Administrative expenses		**(76,967)**	(115,290)
Other losses, net	7	**(76,755)**	(3,850)
Fair value changes on investment properties	14	**(163,700)**	3,525
Net reversal/(charge) of impairment loss on financial assets		**847**	(2,528)
Fair value gains on other financial assets at fair value through profit or loss ("FVTPL")		**6,172**	17,815
Fair value loss on convertible bonds		**—**	(497,928)
Share of results of investments accounted for using the equity method		**(34,186)**	(8,954)
Finance costs	8	**(39,240)**	(52,860)
Loss before income tax		**(124,333)**	(442,533)
Income tax expense	9	**(55,623)**	(53,322)
Loss for the period		**(179,956)**	(495,855)
Attributable to:			
Owners of the Company		**(196,057)**	(507,105)
Non-controlling interests		**16,101**	11,250
		(179,956)	(495,855)
		HK$ ***(unaudited)***	*HK$* *(unaudited)*
Loss per share for loss attributable to owners of the Company			
– Basic and diluted	12	**(0.45)**	(1.59)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Six months ended 30 June 2026 HK$'000 (unaudited)	30 June 2025 HK$'000 (unaudited)
Loss for the period	**(179,956)**	(495,855)
Other comprehensive income/(expense)		
Item that will be subsequently reclassified to profit or loss:		
Share of exchange differences on translation of foreign investments accounted for using the equity method	**1,769**	2,462
Items that will not be reclassified to profit or loss:		
Exchange differences on translation from functional currency to presentation currency	**224,354**	82,450
Fair value (losses)/gains on equity instruments at fair value through other comprehensive income ("FVTOCI"), net of tax	**(467,069)**	371,665
Share of fair value (losses)/gains on equity instruments at FVTOCI of investments accounted for using the equity method, net of tax	**(6,298)**	24,041
Other comprehensive (expense)/income for the period, net of tax	**(247,244)**	480,618
Total comprehensive expense for the period	**(427,200)**	(15,237)
Total comprehensive expense attributable to:		
Owners of the Company	**(389,116)**	(115,200)
Non-controlling interests	**(38,084)**	99,963
	(427,200)	(15,237)

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 30 JUNE 2026

	NOTES	**As at 30 June 2026** *HK$'000* *(unaudited)*	As at 31 December 2025 *HK$'000* *(audited)*
Non-current assets			
Property, plant and equipment	13	**366,463**	373,962
Investment properties	14	**6,550,058**	6,425,465
Investments accounted for using the equity method	15	**2,210,449**	2,238,655
Equity instruments at FVTOCI	19	**789,391**	1,360,126
Loan receivables	16	**4,048**	4,339
Other financial assets at FVTPL	20	**299,728**	301,829
Bank deposits		**—**	35,437
Other receivables	18	**179,399**	179,399
Deferred tax assets	22	**24,120**	23,418
		10,423,656	10,942,630
Current assets			
Stock of properties	17	**3,044,654**	3,097,038
Trade and other receivables, deposits and prepayments	18	**70,003**	151,154
Loan receivables	16	**114,540**	108,487
Other financial assets at FVTPL	20	**32,741**	16,604
Structured deposits		**57,537**	55,371
Pledged bank deposits		**181,013**	181,209
Bank deposits		**138,090**	121,816
Cash held on behalf of clients		**47,102**	20,571
Cash and cash equivalents		**1,740,222**	1,597,417
		5,425,902	5,349,667
Current liabilities			
Trade payables, deposits received and accrued charges	21	**729,159**	740,533
Contract liabilities		**511,159**	195,564
Income tax payable		**787,196**	864,604
Bank borrowings and other financial liabilities	24	**328,962**	320,572
Lease liabilities		**1,433**	1,395
		2,357,909	2,122,668
Net current assets		**3,067,993**	**3,226,999**
Total assets less current liabilities		**13,491,649**	**14,169,629**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	NOTES	**As at 30 June 2026** *HK$'000* *(unaudited)*	As at 31 December 2025 *HK$'000* *(audited)*
Non-current liabilities			
Lease liabilities		**1,126**	1,852
Deferred tax liabilities	22	**870,001**	1,042,761
Bank borrowings and other financial liabilities	24	**1,825,523**	1,898,677
		2,696,650	2,943,290
Net assets		**10,794,999**	11,226,339
Capital and reserves			
Share capital	23	**87,269**	87,269
Reserves		**9,865,534**	10,245,138
Equity attributable to owners of the Company		**9,952,803**	10,332,407
Non-controlling interests		**842,196**	893,932
Total equity		**10,794,999**	11,226,339

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

The condensed consolidated financial statements on pages 21 to 50 were approved by the Board of Directors of the Company on 31 August 2026 and were signed on its behalf by.

TANG Yui Man Francis
Executive Director

OU Jin Yi Hugo
Non-Executive Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Attributable to owners of the Company									
	Share capital *HK$'000*	**Share premium** *HK$'000*	**Translation reserve** *HK$'000*	**General and other reserves** *HK$'000* *(Note)*	**Contributed surplus** *HK$'000*	**Investments revaluation reserve** *HK$'000*	**Retained earnings** *HK$'000*	**Sub-total** *HK$'000*	**Non-controlling interests** *HK$'000*	**Total** *HK$'000*
At 1 January 2026 (audited)	**87,269**	**3,485,487**	**199,014**	**195,583**	**941,442**	**673,717**	**4,749,895**	**10,332,407**	**893,932**	**11,226,339**
(Loss)/profit for the period	**—**	**—**	**—**	**—**	**—**	**—**	**(196,057)**	**(196,057)**	**16,101**	**(179,956)**
Other comprehensive income/ (expense) for the period	**—**	**—**	**185,815**	**—**	**—**	**(378,874)**	**—**	**(193,059)**	**(54,185)**	**(247,244)**
Total comprehensive income/ (expense) for the period	**—**	**—**	**185,815**	**—**	**—**	**(378,874)**	**(196,057)**	**(389,116)**	**(38,084)**	**(427,200)**
Transactions with owners in their capacity as owners:										
Transfers	**—**	**—**	**—**	**95**	**—**	**—**	**(95)**	**—**	**—**	**—**
Dividend paid to non-controlling interests of subsidiaries	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(13,652)**	**(13,652)**
Share of a joint venture's reserves	**—**	**—**	**—**	**9,512**	**—**	**—**	**—**	**9,512**	**—**	**9,512**
At 30 June 2026 (unaudited)	**87,269**	**3,485,487**	**384,829**	**205,190**	**941,442**	**294,843**	**4,553,743**	**9,952,803**	**842,196**	**10,794,999**

	Attributable to owners of the Company										
	Share capital *HK$'000*	Share premium *HK$'000*	Translation reserve *HK$'000*	Share option reserve *HK$'000*	General and other reserves *HK$'000* *(Note)*	Contributed surplus *HK$'000*	Investments revaluation reserve *HK$'000*	Retained earnings *HK$'000*	Sub-total *HK$'000*	Non-controlling interests *HK$'000*	Total *HK$'000*
At 1 January 2025 (audited)	63,740	2,334,899	54,545	67,905	168,762	941,442	457,479	5,782,244	9,871,016	905,113	10,776,129
(Loss)/profit for the period	—	—	—	—	—	—	—	(507,105)	(507,105)	11,250	(495,855)
Other comprehensive income for the period	—	—	72,110	—	—	—	319,795	—	391,905	88,713	480,618
Total comprehensive income/ (expense) for the period	—	—	72,110	—	—	—	319,795	(507,105)	(115,200)	99,963	(15,237)
Transactions with owners in their capacity as owners:											
Transfers	—	—	—	—	74	—	—	(74)	—	—	—
Share option lapsed	—	—	—	(67,905)	—	—	—	67,905	—	—	—
Dividend paid to non-controlling interests of subsidiaries	—	—	—	—	—	—	—	—	—	(69,490)	(69,490)
Share of a joint venture's reserves	—	—	—	—	8,806	—	—	—	8,806	—	8,806
At 30 June 2025 (unaudited)	63,740	2,334,899	126,655	—	177,642	941,442	777,274	5,342,970	9,764,622	935,586	10,700,208

Note: General and other reserves mainly represent the enterprise expansion fund and general reserve fund set aside by certain subsidiaries in accordance with the relevant laws and regulations of the People's Republic of China (the "PRC"), which are not available for distribution.

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 30 JUNE 2026

	Six months ended 30 June 2026 HK$'000 (unaudited)	30 June 2025 HK$'000 (unaudited)
Cash flows from operating activities		
Cash from/(used in) operations	**528,529**	(45,274)
Income tax paid	**(163,242)**	(138,569)
Interest received from financing services business	**2,698**	4,139
Net cash from/(used in) operating activities	**367,985**	(179,704)
Cash flows from investing activities		
Interest income received	**15,011**	39,239
Dividend received	**6,193**	27,351
Placement of bank deposits	**(60,296)**	(292,763)
Withdrawal of bank deposits	**59,158**	338,847
Withdrawal of pledged bank deposits	**2,207**	460,109
Purchase of property, plant and equipment	**(2,423)**	(3,812)
Purchase of investment properties	**(38,336)**	—
Proceeds from disposal of investment properties	**—**	915,057
Additions to investments accounted for using the equity method	**—**	(912)
Purchase of unlisted fund instruments at FVTOCI	**(7,041)**	—
Proceeds from return of capital from equity instruments at FVTPL	**—**	1,388
Net cash (used in)/from investing activities	**(25,527)**	1,484,504
Cash flows from financing activities		
Proceeds of borrowings	**47,084**	2,110,979
Repayment of borrowings	**(197,788)**	(320,664)
Principal portion of lease liabilities	**(767)**	(728)
Interest portion of lease liabilities	**(79)**	(129)
Dividend paid to non-controlling interests of subsidiary	**(13,652)**	(69,490)
Interest paid	**(39,161)**	(50,717)
Net cash (used in)/from financing activities	**(204,363)**	1,669,251
Net increase in cash and cash equivalents	**138,095**	2,974,051
Cash and cash equivalents at beginning of the period	**1,597,417**	605,850
Effect of foreign exchange rate changes on cash and cash equivalents	**4,710**	14,559
Cash and cash equivalents at end of the period	**1,740,222**	3,594,460

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

1. GENERAL INFORMATION

Z Fin Limited (the "Company") is a public limited company incorporated in Bermuda as an exempted company with its shares listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the "Group") are increasingly focused on financial technology (FinTech) investment and management, while the Group is also engaged in property development, property management, property investment and financial services.

The condensed consolidated financial statements are presented in thousands of units of Hong Kong dollar (HK$'000), unless otherwise stated. These condensed consolidated financial statements have been approved by the Board on 31 August 2026.

The condensed consolidated financial statements for the six months ended 30 June 2026 have not been audited.

2. BASIS OF PREPARATION

These condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

3. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Certain comparative figures have been reclassified in the condensed consolidated financial statements to conform to the current period's presentation. This reclassification has no effect on previously reported loss for the period, net current assets and net equity of the Group.

Application of amendments to HKFRS Accounting Standards

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts referencing nature – dependent electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards - Volume 11

The application of the above amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods. However, the amendments to HKFRS 9 and HKFRS 7 relating to the classification and measurement of financial instruments have resulted in enhanced disclosures in respect of equity investments designated at FVOCI, including the fair value of such investments and the changes in fair value recognised in other comprehensive income during the period (see Note 4). In the event of future disposals of these investments, the related transfers of cumulative gains or losses within equity (and other information required under the amended HKFRS 7) will be disclosed accordingly.

3. ACCOUNTING POLICIES (Continued)

Impact of standards issued but not yet applied by the Group

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for this reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions, except for the potential impacts from adoption of HKFRS 18 as disclosed in the annual consolidated financial statements for the year ended 31 December 2025.

Application of certain accounting policies which became relevant to the Group in the current interim period

Revenue from the sale of properties is recognised at a point in time when control of the completed property is transferred to the buyer. The Group receives deposits from buyers when they sign the sale and purchase agreement. The deposits received from the contracts prior to meeting the above criteria for revenue recognition are recognised as contract liabilities.

4. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value hierarchy and valuation techniques used to determine fair values

In estimating the fair value, the Group uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group engages a third party qualified valuer to perform the valuation. The management works closely with the qualified external valuer to establish the appropriate valuation techniques and inputs to the model.

The fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include the lowest level inputs which are significant to the fair value measurement for the asset or liability that are not based on observable market data (significant unobservable inputs).

4. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy and valuation techniques used to determine fair values (Continued)

The following table presents the Group's financial assets measured and recognised at fair value at 30 June 2026 and 31 December 2025 on a recurring basis:

Financial assets	Fair value as at 30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)	Fair value hierarchy	Valuation techniques	Significant unobservable inputs
Equity securities of ZhongAn Online (as defined in Note 19) classified as equity instruments at FVTOCI	**729,000**	1,303,290	Level 1	Quoted prices in an active market	N/A
Unlisted fund investments classified as equity instruments at FVTOCI (Note 1)	**56,014**	52,521	Level 3	Deemed resell price provided by fund managers which is derived from the fair value of the underlying portfolio of the fund under the net asset value ("NAV") approach	N/A
Unlisted equity securities classified as equity instruments at FVTOCI (Note 1)	**4,377**	4,315	Level 3	Fair value measurement basis conducted by directors which is based on the NAV of the entity	NAV
Unlisted fund investments classified as financial assets at FVTPL (Note 1)	**299,728**	301,829	Level 3	Deemed resell price provided by fund managers which is derived from the fair value of the underlying portfolio of the fund under the NAV approach	N/A
Equity securities listed in Hong Kong, the PRC and overseas classified as financial assets at FVTPL (Note 1)	**32,741**	16,604	Level 1	Quoted prices in active markets	N/A
Structured bank deposits at FVTPL	**57,537**	55,371	Level 2	Quoted prices from financial institutions	N/A
	1,179,397	1,733,930			

Note 1: An increase in the net asset value of a financial instrument would result in an increase in the fair value measurement of the unlisted fund investments and unlisted equity securities, and vice versa.

During both periods, there were no transfers of fair value measurements between level 1 and level 2 and no transfers into or out of level 3.

4. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 instruments for the six months ended 30 June 2026 and 2025:

	Unlisted fund investments classified as financial assets at FVTPL *HK$'000*	Unlisted fund investments and equity securities at FVTOCI *HK$'000*	Convertible bonds *HK$'000*	Total *HK$'000*
At 1 January 2025 (audited)	274,754	73,625	(199,719)	148,660
Redemption	(1,388)	—	—	(1,388)
Currency realignment	—	252	—	252
Fair value change to profit or loss	17,490	—	(497,928)	(480,438)
Fair value change to other comprehensive income	—	(11,880)	—	(11,880)
At 30 June 2025 (unaudited)	290,856	61,997	(697,647)	(344,794)
At 1 January 2026 (audited)	**301,829**	**56,836**	**—**	**358,665**
Addition	**—**	**7,041**	**—**	**7,041**
Currency realignment	**—**	**638**	**—**	**638**
Fair value change to profit or loss	**(2,101)**	**—**	**—**	**(2,101)**
Fair value change to other comprehensive income	**—**	**(4,124)**	**—**	**(4,124)**
At 30 June 2026 (unaudited)	**299,728**	**60,391**	**—**	**360,119**

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed consolidated financial statements, the critical accounting estimates and judgements applied were consistent with those described in the annual consolidated financial statements for the year ended 31 December 2025.

6. REVENUE AND SEGMENT INFORMATION

Revenue

Revenue primarily represents revenue arising from property management fee income, sale of properties, rental income, interest income from financing services business and other service income, after deducting discounts and other sales related taxes. An analysis of the Group's revenue for the period is as follows:

	Six months ended	
	30 June 2026	30 June 2025
	HK$'000	*HK$'000*
	(unaudited)	*(unaudited)*
Recognised over time under HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15"):		
– Property management fee income	**50,171**	66,537
– Others	**3,553**	24,907
Recognised at a point in time under HKFRS 15:		
– Sale of properties	**258,733**	—
Recognised under HKFRS 15	**312,457**	91,444
Recognised under other HKFRS Accounting Standards:		
– Rental income	**170,588**	190,506
– Interest income from financing services business	**2,698**	7,341
	485,743	289,291

All of the Group's revenue is generated from the PRC during the six months ended 30 June 2026 and 30 June 2025.

Segment information

Management has determined the operating segments based on the internal report reviewed by the Group's chief operating decision makers ("CODM"), being the executive director of the Company.

The Group is organised into the following operating segments in their internal reports:

Financing services:	provision of efficient financial solutions and multiple consultancy services
Property investment:	property leasing
Property management:	provision of property management services
Property development:	property development and sale of properties
Others:	income from operating hotel and primary school and provision of project management services

6. REVENUE AND SEGMENT INFORMATION (Continued)

Segment information (Continued)

The CODM assesses the performance of the operating segments based on a measure of segment result.

Segment result represents the loss before income tax incurred by each segment without allocation of other income, unallocated corporate expenses, unallocated other gains (losses), share of results of investments accounted for using the equity method, fair value gain on other financial assets at FVTPL, fair value loss on convertible bonds and unallocated finance costs.

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June 2026 (unaudited)

	Financing services *HK$'000*	Property investment *HK$'000*	Property management *HK$'000*	Property development *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue	**2,698**	**170,588**	**50,171**	**258,733**	**3,553**	**485,743**
Segment result	**3,838**	**(178,882)**	**(21,720)**	**105,737**	**928**	**(90,099)**
Other income						**27,565**
Unallocated corporate expenses						**(29,906)**
Unallocated other gains						**286**
Fair value gain on other financial assets at FVTPL						**6,172**
Share of results of investments accounted for using the equity method						**(34,186)**
Unallocated finance costs						**(4,165)**
Loss before income tax						**(124,333)**

6. REVENUE AND SEGMENT INFORMATION (Continued)

Segment information (Continued)

Six months ended 30 June 2025 (unaudited)

	Financing services *HK$'000*	Property investment *HK$'000*	Property management *HK$'000*	Property development *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue	7,341	190,506	66,537	—	24,907	289,291
Segment result	5,543	91,491	(3,603)	(2,994)	(23,886)	66,551
Other income						23,986
Unallocated corporate expenses						(31,530)
Unallocated other losses						(3,848)
Fair value gain on other financial assets at FVTPL						17,815
Fair value loss on convertible bonds						(497,928)
Share of results of investments accounted for using the equity method						(8,954)
Unallocated finance costs						(8,625)
Loss before income tax						(442,533)

No analysis of the Group's assets and liabilities by reportable and operating segments is disclosed as it is not regularly provided to the CODM for review. There is no seasonality of the operation of the Group.

7. OTHER INCOME AND OTHER LOSSES, NET

	Six months ended 30 June 2026 *HK$'000* *(unaudited)*	30 June 2025 *HK$'000* *(unaudited)*
Other income		
Dividends from financial assets at FVTPL	**6,193**	7,913
Interest income on bank deposits	**13,798**	10,371
Interest income on pledged deposits	**2,020**	2,924
Interest income on structured deposits	**281**	—
Others	**5,273**	2,778
	27,565	23,986
Other losses, net		
Net exchange losses, net	**(1,379)**	(3,850)
Others	**(75,376)**	—
	(76,755)	(3,850)

8. FINANCE COSTS

	Six months ended	
	30 June 2026	30 June 2025
	HK$'000	*HK$'000*
	(unaudited)	*(unaudited)*
Interest on borrowings	**39,161**	52,129
Interest on lease liabilities	**79**	129
Interest on deposits received for rental	**—**	602
	39,240	52,860

9. INCOME TAX EXPENSE

	Six months ended	
	30 June 2026	30 June 2025
	HK$'000	*HK$'000*
	(unaudited)	*(unaudited)*
Current income tax		
– PRC corporate income tax	**8,977**	30,530
– PRC withholding income tax	**—**	15,766
– (Over)/under-provision of PRC corporate income tax in prior years	**(18,578)**	247
– PRC LAT	**120,919**	—
Deferred income tax (Note 22)	**(55,695)**	6,779
	55,623	53,322

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year.

PRC corporate income tax

The income tax provision of the Group in respect of operations in the PRC has been recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year.

The corporate income tax rate applicable to the Group entities located in the PRC is 25% (six months ended 30 June 2025: 25%) according to the Corporate Income Tax Law of the PRC (the "CIT Law").

9. INCOME TAX EXPENSE (Continued)

PRC land appreciation tax ("LAT")

Pursuant to the requirements of the Provisional Regulations of the PRC on LAT effective 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective on 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

The Group sold properties for the six months ended 30 June 2026 and LAT was provided. (six months ended 30 June 2025: nil)

PRC withholding income tax

Pursuant to the Detailed Implementation Regulations for the implementation of the CIT Law issued on 6 December 2017, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to this withholding income tax of 10%, a lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated in Hong Kong and fulfill the requirements to the tax treaty arrangements between the PRC and Hong Kong.

Hong Kong profits tax

The applicable Hong Kong profits tax rate is 16.5% for the six months ended 30 June 2026 (six months ended 30 June 2025: 16.5%). Hong Kong profits tax has not been provided as the Group did not have any assessable profit for both periods.

Sinolink Shanghai Investment Limited ("SSI") tax case in relation to the chargeability of notional interest income received from an associate

Since 2012, Hong Kong Inland Revenue Department ("IRD") queried against SSI, a subsidiary of the Group, regarding the chargeability of notional interest income received from an associate of the Group in the tax returns for the years of assessment 2005/2006 to 2013/2014.

Up to 30 June 2026, the IRD has issued Notice of Assessments for the years of assessment 2006/2007 to 2013/2014 and the Group has purchased tax reserve certificates of approximately HK$134,750,000 (31 December 2025: HK$134,750,000) for conditional standover order of objection against the notices of Assessments for the years of assessment 2006/2007 to 2013/2014. The amount was presented as "other receivables" in the Group's condensed consolidated statement of financial position as at 30 June 2026.

In 2016, the IRD issued a letter informing the Group, that the IRD would put up the case for Commissioner's determination. In 2020, the Commissioner issued notice of objection to the Group, and the Group has filed notice of appeal to Board of Review (Inland Revenue Ordinance) for hearing and determining tax appeals ("SSI Appeal"). In June 2023, the SSI Appeal hearing was held.

9. INCOME TAX EXPENSE (Continued)

Sinolink Shanghai Investment Limited ("SSI") tax case in relation to the chargeability of notional interest income received from an associate (Continued)

On 29 December 2023, the Board of Review (Inland Revenue Ordinance) released the decision of SSI Appeal ("Decision"), which dismissed the appeal and upheld the determination of the notices of Assessments for the years of assessment 2006/2007 to 2013/2014.

On 29 January 2024, the Group filed a Summons for leave to appeal from the Decision of the Board of Review (Inland Revenue Ordinance) ("Leave Application"), a Statement of Grounds and Reasons in Support and an affirmation in support.

On 14 February 2024, the Commissioner filed an affirmation in opposition to leave application and the Statement of Opposition. Having considered the leave application and Commissioner's Statement of Opposition, instead of disposing of the Leave Application, the High Court assigned the Leave Application to a High Court Judge and directed both the Group and the Commissioner to fix a hearing for argument on leave to appeal ("Leave Application Hearing") on 27 February 2024. The Leave Application Hearing was held on 30 October 2024. On 4 February 2025, the Leave Application was granted by the Court of First Instance. On 23 May 2025, a notice of hearing was received by the Group and an appeal hearing was held on 9 December 2025.

On 29 July 2026, the Court of First Instance delivered its judgment in respect of the appeal ("Judgment") dismissing SSI's appeal and upholding the Decision. Following the Judgment, the Group's management sought further advice from its legal and tax advisors. Based on their recommendations, the directors of the Company are of the view that there are substantive legal grounds to appeal and that there remains a reasonable prospect of success. Accordingly, the Group intends to file an appeal with the Court of Appeal.

On this basis, the directors of the Company are of the view that it is more likely than not they will be able to successfully argue that the merits of the referenced precedent cases apply, and hence it is not probable that an outflow of resources will be required to settle this obligation as at 30 June 2026. Therefore, no provision of taxation on this tax case is recognised for the six months ended 30 June 2026.

Knatwood Limited ("Knatwood") tax case in relation to the claim of offshore income

Furthermore, since 2011, the IRD has queried against Knatwood, another subsidiary of the Company regarding the offshore claim in respect of certain income on the transactions between group entities for the year of assessment 2007/2008. Up to 30 June 2026, the Group has purchased tax reserve certificate of approximately HK$23,649,000 (31 December 2025: HK$23,649,000) for conditional standover order of objection. The amount is presented as "other receivables" in the Group's condensed consolidated statement of financial position as at 30 June 2026. In 2016, the IRD issued a letter informing the Group that the IRD would put up the case for Commissioner's determination. In 2020, the Commissioner has issued notice of objection to the Group and the Group has filed notice of appeal to Board of Review (Inland Revenue Ordinance) for hearing and determining tax appeals. The appeal hearing was held on 10 September 2024. Up to the date of issuance of these condensed consolidated financial statements, the result of appeal hearing is yet to be announced.

Having taken advices from tax and legal representatives, the directors of the Company were of the view that there were ample grounds to contest the tax positions of the subsidiary for the relevant year of assessment and hence it is not probable that an outflow of resources will be required to settle this obligation. Thus no provision is recognised for the six months ended 30 June 2026.

Should the decision of these tax disputes turn out to be unfavorable to the Group, the Group may need to record additional provision in respect of these tax disputes in future reporting periods.

10. EXPENSES BY NATURE

	Six months ended 30 June 2026 HK$'000 (unaudited)	30 June 2025 HK$'000 (unaudited)
Employee benefit expenses (including directors' emoluments)	**59,096**	96,471
Depreciation of right-of-use assets	**1,258**	2,467
Depreciation of property, plant and equipment	**13,689**	12,944
Legal and professional fees	**4,701**	5,810
Utilities	**7,795**	9,774
Repairs and maintenance	**17,790**	14,477
Bank charges	**1,720**	3,875
Auditor's remuneration	**300**	800

11. DIVIDENDS

No dividends were declared and proposed by the Company during the interim period (six months ended 30 June 2025: nil). The directors resolved that no dividend will be paid in respect of the interim period (six months ended 30 June 2025: nil).

12. LOSS PER SHARE

Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.

	Six months ended 30 June 2026 (unaudited)	30 June 2025 (unaudited)
Loss attributable to owners of the Company during the periods (HK$'000)	**196,057**	507,105
Weighted average number of ordinary shares in issue	**436,347,212**	318,700,154
Basic loss per share (HK$) (unaudited)	**0.45**	1.59

Diluted

Diluted loss per share is calculated by adjusting the net loss and the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive shares.

For the six months ended 30 June 2026, the Group has one category of potentially dilutive shares: an investment accounted for using the equity method - ZhongAn Technologies International Group Limited ("ZA Global").

For the six months ended 30 June 2025, the Group has two categories of potentially dilutive shares: convertible bonds issued by the Company (which conversion rights were subsequently exercised (details set out in Note 23(b)) and an investment accounted for using the equity method - ZA Global.

The diluted loss per share for the six months ended 30 June 2026 and 2025 is equal to the basic loss per share as all potential ordinary share were anti-dilutive.

13. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property, plant and equipment of approximately HK$2,423,000 (six months ended 30 June 2025 (unaudited): HK$3,812,000).

As at 30 June 2026, the Group has provided an accumulated impairment of HK$58,882,000 on the hotel buildings and related building improvement (31 December 2025: HK$58,882,000). As the recoverable amount of hotel buildings, which was assessed based on fair value less cost of disposal, approximated the carrying amount of that as at 30 June 2026, there is no impairment or reversal of impairment recognised for the six months ended 30 June 2026 (six months ended 30 June 2025 (unaudited): nil).

14. INVESTMENT PROPERTIES

	Six months ended	
	30 June 2026	30 June 2025
	HK$'000	*HK$'000*
	(unaudited)	*(unaudited)*
Opening net book amount	**6,425,465**	6,290,164
Additions	**38,336**	—
Fair value changes on investment properties	**(163,700)**	3,525
Exchange realignment	**249,957**	49,632
Closing net book amount	**6,550,058**	6,343,321

The Group measures its completed investment properties at fair value at 30 June 2026 and 31 December 2025, which have been arrived at on the basis of a valuation carried out on those dates by an independent qualified professional valuer, who is a member of the Hong Kong Institute of Surveyors. For all investment properties, their current use equates to the highest and best use.

The management of the Group works closely with the independent professional valuer to establish and determine the appropriate valuation techniques and inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the executive director of the Company to explain the cause of the fluctuations.

The fair values of investment properties were determined by the income capitalisation approach, with reference to the market comparables approach when appropriate, capitalising the net income derived from the existing tenancies with allowance for the reversionary income potential of the properties.

The fair value measurement of the Group's investment properties is categorised into level 3 in the fair value hierarchy based on the inputs to valuation techniques used. During both period, there were no transfers of fair value measurements between level 1 and level 2 and no transfers into or out of level 3. There has been no change in the valuation technique used for offices and retail premises and car parks from the prior year.

14. INVESTMENT PROPERTIES (Continued)

Below is a summary of the key inputs to the valuation of investment properties:

Properties	Valuation technique	Significant unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
As at 30 June 2026				
Office and retail premises	Income capitalisation approach	Capitalisation rate	4.25% - 5.75%	The higher capitalisation rate, the lower the fair value
		Market rent (sq.m./month)	(a) Office: RMB101 to RMB308 (b) Retails: RMB84 to RMB945	The higher the market rent, the higher the fair value
Car parks	Income capitalisation approach	Capitalisation rate	3.50% - 5.75%	The higher capitalisation rate, the lower the fair value
		Monthly market rent	RMB300 – RMB1,920	The higher market rent, the higher the fair value
As at 31 December 2025				
Office and retail premises	Income capitalisation approach	Capitalisation rate	4.25% - 5.75%	The higher capitalisation rate, the lower the fair value
		Market rent (sq.m./month)	(a) Office: RMB110 to 315 (b) Retails: RMB78 to RMB969	The higher the market rent, the higher the fair value
Car parks	Income capitalisation approach	Capitalisation rate	3.50%-5.75%	The higher capitalisation rate, the lower the fair value
		Monthly market rent	RMB300 – RMB1,800	The higher market rent, the higher the fair value

15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	As at	
	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(unaudited)	*(audited)*
Cost of unlisted investments accounted for using the equity method	**3,027,195**	3,026,091
Share of post-acquisition results and gain on dilutions (Note i)	**(816,746)**	(787,436)
	2,210,449	2,238,655

Note:

(i) During the six months ended 30 June 2026, the Group's share of loss and other comprehensive expense from investments accounted for using the equity method mainly arose from loss and other comprehensive expense of ZA Global amounted to HK$34,240,000 and HK$4,983,000, respectively (six months ended 30 June 2025 (unaudited): share of loss and other comprehensive income from investments accounted for using the equity method mainly arose from loss and other comprehensive expense of ZA Global amounted to HK$11,545,000 and HK$26,503,000, respectively).

16. LOAN RECEIVABLES

	As at	
	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(unaudited)	*(audited)*
Loan receivables (Notes)	**202,970**	195,818
Less: loss allowance	**(84,382)**	(82,992)
Total	**118,588**	112,826
The loan receivables analysed as follows:		
Non-current	**4,048**	4,339
Current	**114,540**	108,487
	118,588	112,826

Notes:

(i) Loan receivables to independent third parties are unsecured and carried interest rate ranged from 3.0% to 5.0% (31 December 2025: 3.0% to 5.0%) per annum.

(ii) As at 30 June 2026, an entrusted loan provided to an independent third party with remaining principal of RMB100,000,000 (equivalent to approximately HK$115,075,000) with expiry date on 12 August 2026. The entrusted loan is secured and interest rates are fixed at 5% per annum. Subsequent to 30 June 2026, the entrusted loan was repaid on 12 August 2026.

16. LOAN RECEIVABLES (Continued)

The Group applies general approach to provide for expected credit loss ("ECL") prescribed by HKFRS 9 "Financial Instruments" ("HKFRS 9") for loan receivables. Under the general approach, loan receivables are assessed at each reporting date to determine whether there has been a significant increase in credit risk since initial recognition. The assessment is performed by reference to past default experience, current past due exposure of the debtor, the nature and prospect of the debtor's operation, and is adjusted for forward-looking information that is available without undue cost or effort. The loss rate ranging from 0.59% to 15.34% (31 December 2025: 2.2% to 15.52%) is applied to the debtors. As at 30 June 2026, the allowance for 12-month credit loss on loan receivables is HK$1,505,000 (31 December 2025: HK$3,236,000) and the allowance for credit-impaired on loan receivables is HK$82,877,000 (31 December 2025: HK$79,756,000).

The loss rates are estimated based on historical observed default rates over the expected life of the debtors, the realisation of collateral and guarantee and study of other corporates' default and recovery data from international credit rating agencies including Moody's and Standard and Poor's, and are adjusted for forward-looking information (for example, the current and forecasted economic growth rates in the PRC, which reflect the general economic conditions of the industry in which the debtors operate) that is available without undue cost or effort.

During the six months ended 30 June 2026, the Group has recognised a reversal of impairment loss allowance of HK$1,836,000 (six months ended 30 June 2025: provision for impairment loss allowance of HK$1,147,000).

17. STOCK OF PROPERTIES

	As at	
	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(unaudited)	*(audited)*
Completed properties held for sale	**3,044,654**	3,097,038

Completed properties held for sale of the Group are all located in the PRC and completed and available for sale within normal operating cycle.

18. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 30 June 2026 HK$'000 (unaudited)	As at 31 December 2025 HK$'000 (audited)
Trade receivables from property management and property investment business	**22,984**	21,670
Less: loss allowance	**(9,696)**	(8,369)
Total trade receivables, net	**13,288**	13,301
Interest receivables from bank deposits and pledged bank deposits	**2,460**	4,070
Rental receivables	**41,413**	109,949
Other receivables, deposits and prepayments	**33,842**	44,834
Tax reserve certificates (Note 9)	**158,399**	158,399
	249,402	330,553
Non-current	**179,399**	179,399
Current	**70,003**	151,154
	249,402	330,553

The Group allows an average credit period ranging from 0 to 60 days to its customers of property management and property investment business from the invoices issuance date. The following is an aged analysis of trade receivables from property management and property investment services presented based on invoice dates at the end of reporting period, net of allowance for credit loss.

	As at 30 June 2026 HK$'000 (unaudited)	As at 31 December 2025 HK$'000 (audited)
Aged:		
0 to 60 days	**7,477**	10,437
61 to 180 days	**904**	2,078
Over 181 days	**4,907**	786
	13,288	13,301

The Group applies the simplified approach to provide for ECL prescribed by HKFRS 9 for trade receivables.

To measure the ECL of trade receivables from property management and property investment business, trade receivables have been grouped based on shared credit risk characteristics by reference to past default experience and current past due exposure of the debtor. The Group has recognised a loss allowance of HK$9,696,000 (31 December 2025: HK$8,369,000) against the gross trade receivables of HK$22,984,000 (31 December 2025: HK$21,670,000). The loss allowance primarily relates to receivables that are long outstanding from certain debtors with deteriorated financial position, for which the Group has assessed to be credit-impaired. The remaining trade receivables with good settlement history have insignificant ECL.

19. EQUITY INSTRUMENTS AT FVTOCI

	As at **30 June 2026** ***HK$'000*** ***(unaudited)***	31 December 2025 *HK$'000* *(audited)*
Equity securities of ZhongAn Online P&C Insurance Co., Limited ("**ZhongAn Online**"), at fair value	**729,000**	1,303,290
Unlisted fund investments in the PRC and overseas, at fair value	**56,014**	52,521
Unlisted equity securities in Hong Kong and the PRC	**4,377**	4,315
Total (Note i)	**789,391**	1,360,126

Note:

(i) The Group has made an irrevocable election to designate these investments in equity instruments at FVTOCI. These investments are not held for trading, instead, they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

20. OTHER FINANCIAL ASSETS AT FVTPL

	As at **30 June 2026** ***HK$'000*** ***(unaudited)***	31 December 2025 *HK$'000* *(audited)*
Equity securities listed in Hong Kong	**26,914**	9,011
Equity securities listed in the PRC	**5,827**	7,593
Unlisted fund investments in the PRC	**195,875**	196,364
Unlisted fund investments in overseas	**103,853**	105,465
	332,469	318,433
Other financial assets at FVTPL analysed as follows:		
Non-current	**299,728**	301,829
Current	**32,741**	16,604
	332,469	318,433

21. TRADE AND OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES

	As at	
	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(unaudited)	*(audited)*
Trade payables	**26,753**	25,700
Accruals for construction work	**309,847**	337,409
Deposits received for rental	**92,229**	127,941
Advance lease payments	**39,661**	27,759
Deposits received for management fee	**22,933**	31,674
Dividend payable	**—**	13,289
Other tax payables	**59,426**	42,857
Salaries payables and staff welfare payables	**66,752**	57,030
Clients' monies held on trust	**45,103**	24,390
Other payables and accrued charges	**66,455**	52,484
	729,159	740,533

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

	As at	
	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(unaudited)	*(audited)*
Aged:		
0 to 90 days	**4,490**	4,715
91 to 180 days	**1,874**	1,188
181 to 360 days	**1,007**	1,978
Over 360 days	**19,382**	17,819
	26,753	25,700

22. DEFERRED TAX ASSETS/(LIABILITIES)

	As at 30 June 2026	As at 31 December 2025
	HK$'000	*HK$'000*
	(unaudited)	*(audited)*
Deferred tax assets	**24,120**	23,418
Deferred tax liabilities	**(870,001)**	(1,042,761)
	(845,881)	(1,019,343)

The following are the major deferred tax (liabilities)/assets recognised and movements thereon during the periods:

	Fair value change on investment properties	**Fair value change of equity instruments at FVTOCI**	**Fair value change of other financial assets at FVTPL**	**ECL provision**	**Lease liabilities**	**Undistributed profits of subsidiaries**	**Right-of-use assets**	**Effective rent**	**Withholding tax on interest income**	**Tax losses**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
At 1 January 2026 (audited)	**(636,642)**	**(293,918)**	**(26,581)**	**23,418**	**570**	**(42,791)**	**(570)**	**(27,485)**	**(35,790)**	**20,446**	**(1,019,343)**
Currency realignment	**(24,438)**	**(9,714)**	**(1,044)**	**914**	**–**	**(1,705)**	**–**	**(868)**	**(1,400)**	**800**	**(37,455)**
Credited/(charged) to profit or loss (Note 9)	**40,926**	**–**	**(332)**	**(212)**	**(364)**	**(2,689)**	**364**	**18,002**	**–**	**–**	**55,695**
Credited to other comprehensive income	**–**	**155,222**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**155,222**
At 30 June 2026 (unaudited)	**(620,154)**	**(148,410)**	**(27,957)**	**24,120**	**206**	**(47,185)**	**(206)**	**(10,351)**	**(37,190)**	**21,246**	**(845,881)**

	Fair value change on investment properties	Fair value change of equity instruments at FVTOCI	Fair value change of other financial assets at FVTPL	ECL provision	Lease liabilities	Undistributed profits of subsidiaries	Right-of-use assets	Effective rent	Withholding tax on interest income	Tax losses	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 January 2025 (audited)	(733,530)	(209,764)	(19,914)	16,886	934	(56,438)	(934)	(19,929)	(31,763)	19,969	(1,034,483)
Currency realignment	(62)	(4,454)	(349)	264	(3)	(792)	3	(333)	(504)	307	(5,923)
(Charged)/credited to profit or loss (Note 9)	(6,245)	–	(4,220)	482	(283)	7,561	283	(2,769)	(1,588)	–	(6,779)
Charged to other comprehensive income	–	(124,960)	–	–	–	–	–	–	–	–	(124,960)
At 30 June 2025 (unaudited)	(739,837)	(339,178)	(24,483)	17,632	648	(49,669)	(648)	(23,031)	(33,855)	20,276	(1,172,145)

23. SHARE CAPITAL

	Number of shares	Amount *HK$'000*
Ordinary shares		
Authorised:		
At 1 January 2025 at HK$0.1 each	150,000,000,000	1,500,000
Share consolidation (Note (a))	(142,500,000,000)	—
At 31 December 2025 (audited) and 30 June 2026 (unaudited) at HK$0.2 each	7,500,000,000	1,500,000
Issued and fully paid:		
At 1 January 2025 (audited)	6,374,003,096	63,740
Share consolidation (Note (a))	(6,055,302,942)	—
As at 30 June 2025 (unaudited)	318,700,154	63,740
Conversion of convertible bonds (Note (b))	117,647,058	23,529
As at 31 December 2025 (audited) and 30 June 2026 (unaudited)	436,347,212	87,269

Notes:

(a) Share Consolidation

Pursuant to shareholders' approval on 23 May 2025, the Share Consolidation on the basis that every 20 issued and unissued shares of HK$0.01 each in the share capital of the Company be consolidated into 1 consolidated share of HK$0.20 each has become effective on 27 May 2025. Upon the effectiveness of the Share Consolidation, the authorised share capital of the Company remained at HK$1,500,000,000 but are divided into 7,500,000,000 consolidated shares of HK$0.20 and the total number of issued ordinary shares of the Company has adjusted from 6,374,003,096 to 318,700,154.

(b) Conversion of Convertible Bonds

On 24 July 2025, the Company received a conversion notice from Asia Pacific Promotion Limited in respect of the exercise of the conversion rights attached to the convertible bonds with the principal amount of HK$200,000,000 at the conversion price of HK$1.70. Accordingly, 117,647,058 ordinary shares were allotted and issued to Asia Pacific on 25 July 2025.

24. BANK BORROWINGS AND OTHER FINANCIAL LIABILITIES

	As at 30 June 2026 ***HK$'000*** ***(unaudited)***	As at 31 December 2025 *HK$'000* *(audited)*
Bank borrowings - secured and repayment on demand	**278,481**	267,996
Bank borrowings - secured and no on demand clause	**1,834,136**	1,910,269
Other financial liabilities – unsecured	**41,868**	40,984
	2,154,485	2,219,249
The carrying amounts of the above borrowings are analysed based on contractual repayment date as follows:		
Within one year	**50,481**	52,576
Within one year which contain a repayment on demand clause	**278,481**	267,996
Within a period of more than one year but not exceeding two years	**60,577**	63,091
Within a period of more than two years but not exceeding five years	**262,500**	273,396
Over five years	**1,502,446**	1,562,190
	2,154,485	2,219,249
Less: Amount classified as current liabilities	**(328,962)**	(320,572)
Amount due after one year and classified as non-current liabilities	**1,825,523**	1,898,677

As at 30 June 2026, bank borrowings denominated in RMB amounted to HK$2,112,617,000 (31 December 2025: HK$2,178,265,000) carried interest at benchmark interest rate as stipulated by Chinese Yuan in Hong Kong Interbank Offered Rate plus a certain percentage per annum and Loan Prime Rate minus 50 basis points per annum respectively.

The interest rates of bank borrowings in RMB as at the end of the reporting period range from 2.12% to 3.55% (31 December 2025: 2.70% to 3.55%) per annum.

The following assets were pledged respectively to banks to secure general banking facilities granted to the Group:

	As at 30 June 2026 ***HK$'000*** ***(unaudited)***	As at 31 December 2025 *HK$'000* *(audited)*
Property, plant and equipment	**194,534**	189,620
Investment properties	**4,535,098**	4,431,894
Stock of properties	**2,076,371**	2,176,241
Pledged bank deposits	**181,013**	174,830
Trade receivables	**12,554**	11,452

24. BANK BORROWINGS AND OTHER FINANCIAL LIABILITIES (Continued)

As at 30 June 2026 and 31 December 2025, the Group has the following undrawn borrowing facilities:

	As at 30 June 2026 *HK$'000* ***(unaudited)***	As at 31 December 2025 *HK$'000* *(audited)*
Expiring within one year	**726,136**	586,367

25. RELATED PARTY TRANSACTIONS

The major related parties that had material transactions with the Group were as follows:

Name of related parties	**Relationship with the Group**
ZA Bank Limited	A subsidiary of a joint venture of the Group
ZhongAn Online	The controlling shareholder and a non-executive director of the Group are the non-executive directors of ZhongAn Online

The following is a summary of significant related party transactions which, in the opinion of the directors, are entered into in the ordinary course of business between the Group and its related parties, and the balances arising from related party transactions.

Transactions

		Six months ended	
Name of related party	**Nature of transaction**	**30 June 2026** ***HK$'000*** ***(unaudited)***	30 June 2025 *HK$'000* *(unaudited)*
ZhongAn Online	Rental income	**28,854**	66,029
ZhongAn Online	Property management income	**10,006**	7,470

The transactions were entered into at prices and terms mutually agreed by the relevant parties.

25. RELATED PARTY TRANSACTIONS (Continued)

Period-end/year-end balances with related parties

	As at 30 June 2026 HK$'000 (unaudited)	As at 31 December 2025 HK$'000 (audited)	Nature
Amount due to ZA Bank Limited (Note (i))	**43,709**	22,359	Non-trade
Advance lease payments from ZhongAn Online (Note (ii))	**9,700**	11,197	Trade
Deposits received for rental (Note (ii))	**16,867**	56,715	Trade
Contract liabilities (Note (ii))	**3,936**	2,686	Trade

Notes:

(i) The balance was unsecured, interest free and repayable on demand. This balance was denominated in HK$.

(ii) The balances were unsecured, interest free and repayable on demand and are denominated in RMB.

Key management compensation

Key management compensation for the six months ended 30 June 2026 and 2025 are set out below:

	Six months ended 30 June 2026 HK$'000 (unaudited)	30 June 2025 HK$'000 (unaudited)
Employee benefit expenses (including directors' emoluments)		
– Salaries and other employee benefits	**2,429**	2,528
– Pension costs	**9**	27
	2,438	2,555

26. FINANCIAL GUARANTEE CONTRACTS

	As at 30 June 2026 HK$'000 (unaudited)	As at 31 December 2025 HK$'000 (audited)
Guarantees given to bank for the mortgage loans arranged for the purchasers of the Group's properties	**1,561**	1,544

No financial liabilities were recognised in respect of financial guarantee contracts. In the opinion of the directors, the fair values of the financial guarantee contracts at initial recognition were insignificant and it is not probable that the counterparties would default on the relevant loans.

27. COMMITMENTS

	As at 30 June 2026 ***HK$'000*** ***(unaudited)***	As at 31 December 2025 *HK$'000* *(audited)*
Commitments in respect of completed properties for sale:		
– contracted for but not provided in the condensed consolidated financial statements	**83,036**	48,574

28. SHARE OPTIONS

A share option scheme was adopted by shareholders of the Company at the annual general meeting on 31 May 2022 (the "2022 Share Option Scheme"), under which the Board may, at its discretion, offer any employee of the Group or any directors of the Company or its subsidiaries options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2022 Share Option Scheme has a life of 10 years from 31 May 2022 and no options were granted since the date of its adoption up to its termination. The 2022 Share Option Scheme was terminated by the resolution of the shareholders in accordance with the terms of the said scheme upon the adoption of the 2026 Share Option Scheme on 8 June 2026.

A new share option scheme was adopted by shareholders of the Company at the annual general meeting on 8 June 2026 (the "2026 Share Option Scheme"), under which the Board may, at its discretion, offer any employees of the Group, any directors of the Company or its subsidiaries or other eligible participants options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2026 Share Option Scheme has a life of 10 years from 8 June 2026 and no options were granted since the date of its adoption.

29. SUBSEQUENT EVENT

Save as those disclosed elsewhere in these condensed consolidated financial statements, the following event took place after the reporting period.

Proposal for the Privatisation of the Company by the Offeror by way of a scheme of arrangement under section 99 of the Companies Act (the "Proposal") and Proposed Withdrawal of Listing

As disclosed in the announcement (the "Joint Announcement") dated 21 July 2026 jointly issued by the Company and Asia Pacific Promotion Limited (the "Offeror"), the Offeror requested the Board to put forward the Proposal to the registered holders (the "Scheme Shareholders") of all the Share(s) in issue and any further Share(s) as may be issued prior to the scheme record date, other than those held by the Offeror and Mr. Ou Yaping and his spouse (the "Scheme Share(s)") for the privatisation of the Company by way of a scheme of arrangement under section 99 of the Companies Act (the "Scheme"). The Scheme will involve the cancellation of the Scheme Shares and, in consideration, payment to the Scheme Shareholders of the cancellation price of HK$6.60 per Scheme Share in cash for each Scheme Shares cancelled and withdrawal of listing of the Company's shares on the Stock Exchange. The completion of the Proposal and proposed withdrawal of listing are subject to the conditions of the Proposal and the Scheme as set out in the Joint Announcement. As at the date of approval of these condensed consolidated financial statements, the proposal remains subject to the fulfilment of the relevant conditions and has not become effective. Accordingly, no adjustment has been made to the condensed consolidated financial statements in respect of this matter.