天津發展控股有限公司

TIANJIN DEVELOPMENT HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code : 882

Interim Report 2026

Contents

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Wang *(Chairman)*
(appointed on 31 July 2026)
Dr. Zhai Xinxiang *(General Manager)*
Mr. Xia Binhui
Mr. Teng Fei
(resigned on 31 July 2026)

Non-Executive Director

Mr. Sun Lijun

Independent Non-Executive Directors

Ms. Ng Yi Kum, Estella
Mr. Wong Shiu Hoi, Peter
Mr. Lau Ka Keung
Mr. Sin Hendrick

AUDIT COMMITTEE

Ms. Ng Yi Kum, Estella *(Chairman)*
Mr. Wong Shiu Hoi, Peter
Mr. Lau Ka Keung
Mr. Sin Hendrick

REMUNERATION COMMITTEE

Mr. Lau Ka Keung *(Chairman)*
Ms. Ng Yi Kum, Estella
Mr. Zhang Wang
(appointed on 31 July 2026)
Mr. Teng Fei
(resigned on 31 July 2026)

NOMINATION COMMITTEE

Mr. Zhang Wang *(Chairman)*
(appointed on 31 July 2026)
Ms. Ng Yi Kum, Estella
Mr. Lau Ka Keung
Mr. Sin Hendrick
Mr. Teng Fei
(resigned on 31 July 2026)

INVESTMENT COMMITTEE

Mr. Sin Hendrick *(Chairman)*
Mr. Wong Shiu Hoi, Peter
Mr. Zhang Wang
(appointed on 31 July 2026)
Mr. Teng Fei
(resigned on 31 July 2026)

AUTHORISED REPRESENTATIVES

Mr. Zhang Wang
(appointed on 31 July 2026)
Dr. Zhai Xinxiang
Mr. Teng Fei
(resigned on 31 July 2026)

COMPANY SECRETARY

Ms. Lee Su Yee, Bonnia

REGISTERED OFFICE

Suites 7-13, 36th Floor
China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

Telephone : (852) 2162 8888
Facsimile : (852) 2311 0896
E-mail : ir@tianjindev.com

STOCK CODE

Hong Kong Stock Exchange: 882

WEBSITE

www.tianjindev.com

SHARE REGISTRAR

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

INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
China CITIC Bank International Limited
Industrial and Commercial Bank of China (Asia) Limited
Shanghai Pudong Development Bank Co., Ltd. Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited

TIANJIN DEVELOPMENT HOLDINGS LIMITED

Utilities

Water
Heat and Thermal Power
Electricity

Pharmaceutical

Lisheng (002393.SZ)
Yiyao Printing

Hotel

Courtyard by
Marriott Hong Kong

Electrical and Mechanical

Hydroelectric Equipment

Strategic and Other Investments

Tianjin Port (3382.HK)
Elevators and Escalators

Business Structure

UTILITIES

Company Name	Shareholding	Principal Activities
Tianjin TEDA Tsinlien Water Supply Co., Ltd.	91.41%	Distribution of water in TEDA
Tianjin TEDA Tsinlien Heat & Power Co., Ltd.	90.94%	Distribution of steam in TEDA
Tianjin TEDA Electric Power Co., Ltd.	47.09%	Distribution of electricity in TEDA

PHARMACEUTICAL

Company Name	Shareholding	Principal Activities
Tianjin Yiyao Printing Co., Ltd.	43.55%	Design, manufacture and printing for pharmaceutical packaging
Tianjin Lisheng Pharmaceutical Co., Ltd.	34.14%	Manufacture and sales of chemical drugs, proprietary Chinese medicines and other healthcare products

HOTEL

Company Name	Shareholding	Principal Activities
Tsinlien Realty Limited	100%	Operation of Courtyard by Marriott Hong Kong

ELECTRICAL AND MECHANICAL

Company Name	Shareholding	Principal Activities
Tianjin Tianfa Heavy Machinery & Hydro Power Equipment Manufacture Co., Ltd.	82.74%	Manufacture and sale of hydroelectric equipment

STRATEGIC AND OTHER INVESTMENTS

Company Name	Shareholding	Principal Activities
Tianjin Port Development Holdings Limited	21%	Provision of port services in Tianjin
Otis Elevator (China) Investment Company Limited	16.55%	Manufacture and sale of elevators and escalators

note: The above shareholding percentages represent effective equity interest in respective companies or group of companies. The effective equity interest in Tianjin Lisheng Pharmaceutical Co., Ltd. held by the Group has taken into account the equity interest held under treasury shares as if the relevant employees were entitled to their ownership of treasury shares under the restricted shares incentive scheme.

Condensed Consolidated Statement of Profit or Loss

	NOTES	Six months ended 30 June 2026 HK$'000 (unaudited)	 2025 HK$'000 (unaudited)
Revenue	3	**1,657,990**	1,718,589
Cost of sales		**(1,159,306)**	(1,170,689)
Gross profit		**498,684**	547,900
Other income	4	**91,613**	474,910
Other gains and losses, net	5	**75,242**	26,669
Selling and distribution expenses		**(184,561)**	(249,780)
General and administrative expenses		**(209,502)**	(211,825)
Other operating expenses		**(66,259)**	(96,393)
Finance costs		**(40,386)**	(49,264)
Share of net profit of associates and joint venture accounted for using the equity method		**292,473**	249,283
Profit before tax		**457,304**	691,500
Tax expense	6	**(52,521)**	(76,504)
Profit for the period	7	**404,783**	614,996
Attributable to:			
– Owners of the Company		**325,222**	344,455
– Non-controlling interests		**79,561**	270,541
		404,783	614,996
Earnings per share	8	**HK cents**	HK cents
Basic		**30.32**	32.11
Diluted		**30.30**	32.11

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Profit for the period	**404,783**	614,996
Other comprehensive (expense) income		
Items that will not be reclassified to profit or loss:		
Change in fair value of equity instruments at fair value through other comprehensive income	**(233,651)**	(434,692)
Deferred taxation on fair value change of equity instruments at fair value through other comprehensive income	**56,587**	63,106
Share of other comprehensive income of investments accounted for using the equity method		
– fair value through other comprehensive income reserve, net of tax	**(9,126)**	800
Currency translation differences		
– the Group	**432,290**	127,667
– investments accounted for using the equity method	**217,681**	82,617
Other comprehensive income (expense) for the period	**463,781**	(160,502)
Total comprehensive income for the period	**868,564**	454,494
Attributable to:		
Owners of the Company	**654,827**	354,123
Non-controlling interests	**213,737**	100,371
	868,564	454,494

Condensed Consolidated Statement of Financial Position

	NOTES	**30 June 2026 HK$'000 (unaudited)**	31 December 2025 HK$'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	10	**2,033,527**	2,052,844
Land use rights		**469,746**	472,959
Investment properties	10	**194,131**	186,822
Investments accounted for using the equity method	11	**6,693,884**	6,248,845
Goodwill		**82,509**	79,403
Intangible assets		**47,641**	46,090
Financial assets at fair value through profit or loss	14	**76,435**	70,961
Finance lease receivables		**–**	114,345
Deposits paid for acquisition of property, plant and equipment		**16,378**	12,705
Deferred tax assets		**100,673**	88,890
Equity instruments at fair value through other comprehensive income	12	**1,589,768**	1,760,340
Time deposits with maturity over three months		**2,616,063**	2,614,037
		13,920,755	13,748,241
Current assets			
Inventories		**397,281**	344,302
Amounts due from investments accounted for using the equity method		**13,614**	13,167
Amount due from ultimate holding company		**555**	275
Amounts due from related companies		**130,783**	127,002
Contract assets		**94,986**	62,809
Trade receivables	13	**1,564,640**	1,439,282
Other receivables, deposits and prepayments	13	**430,731**	389,248
Financial assets at fair value through profit or loss	14	**818,679**	883,799
Structured deposits	15	**630,289**	449,456
Entrusted deposits	16	**1,149,044**	1,107,497
Restricted bank balances		**83,570**	70,131
Time deposits with maturity over three months		**756,926**	1,305,397
Cash and cash equivalents		**3,377,572**	2,811,065
		9,448,670	9,003,430
Total assets		**23,369,425**	22,751,671

Condensed Consolidated Statement of Financial Position

	NOTES	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
EQUITY			
Owners of the Company			
Share capital		**5,136,285**	5,136,285
Reserves		**8,450,157**	7,889,449
		13,586,442	13,025,734
Non-controlling interests		**4,931,696**	4,896,358
Total equity		**18,518,138**	17,922,092
LIABILITIES			
Non-current liabilities			
Lease liabilities		**4,198**	7,595
Bank borrowings	17	**1,737,165**	1,741,936
Deferred tax liabilities		**11,197**	67,044
		1,752,560	1,816,575
Current liabilities			
Trade payables	18	**516,627**	479,920
Other payables and accruals		**1,317,765**	1,297,722
Amounts due to related companies		**190,920**	157,570
Contract liabilities		**758,845**	768,412
Lease liabilities		**4,284**	7,840
Bank borrowings	17	**221,719**	238,760
Current tax liabilities		**88,567**	62,780
		3,098,727	3,013,004
Total liabilities		**4,851,287**	4,829,579
Total equity and liabilities		**23,369,425**	22,751,671
Net current assets		**6,349,943**	5,990,426
Total assets less current liabilities		**20,270,698**	19,738,667

Condensed Consolidated Statement of Changes in Equity

	Owners of the Company					
	Share capital HK$'000	Other reserves HK$'000	Retained earnings HK$'000	Sub-total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 January 2025 (audited)	5,136,285	(562,231)	8,018,443	12,592,497	4,862,796	17,455,293
Profit for the period	–	–	344,455	344,455	270,541	614,996
Other comprehensive income (expense) for the period	–	9,668	–	9,668	(170,170)	(160,502)
Total comprehensive income for the period	–	9,668	344,455	354,123	100,371	454,494
Dividends (Note 9)	–	–	(94,618)	(94,618)	(46,295)	(140,913)
Share-based payment reserves under restricted shares incentive scheme of a subsidiary	–	–	–	–	10,784	10,784
Repurchase of shares by a subsidiary	–	6,605	–	6,605	(104,809)	(98,204)
Disposal of an equity instrument at fair value through other comprehensive income	–	(3,551)	4,292	741	(741)	–
Transfer between reserves	–	(2,952)	2,952	–	–	–
Others	–	(1,616)	–	(1,616)	8,027	6,411
	–	(1,514)	(87,374)	(88,888)	(133,034)	(221,922)
At 30 June 2025 (unaudited)	5,136,285	(554,077)	8,275,524	12,857,732	4,830,133	17,687,865
At 1 January 2026 (audited)	**5,136,285**	**(370,059)**	**8,259,508**	**13,025,734**	**4,896,358**	**17,922,092**
Profit for the period	**–**	**–**	**325,222**	**325,222**	**79,561**	**404,783**
Other comprehensive income for the period	**–**	**329,605**	**–**	**329,605**	**134,176**	**463,781**
Total comprehensive income for the period	**–**	**329,605**	**325,222**	**654,827**	**213,737**	**868,564**
Dividends (Note 9)	**–**	**–**	**(94,618)**	**(94,618)**	**(141,809)**	**(236,427)**
Share-based payment reserves under restricted shares incentive scheme of a subsidiary	**–**	**–**	**–**	**–**	**15,083**	**15,083**
Disposal of a subsidiary	**–**	**(4,602)**	**4,602**	**–**	**(50,990)**	**(50,990)**
Others	**–**	**499**	**–**	**499**	**(683)**	**(184)**
	–	**(4,103)**	**(90,016)**	**(94,119)**	**(178,399)**	**(272,518)**
At 30 June 2026 (unaudited)	**5,136,285**	**(44,557)**	**8,494,714**	**13,586,442**	**4,931,696**	**18,518,138**

Condensed Consolidated Statement of Cash Flows

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Net cash (used in) from operating activities	**(18,024)**	90,326
Net cash from (used in) investing activities	**635,961**	(985,234)
Net cash used in financing activities	**(174,795)**	(171,189)
Net increase (decrease) in cash and cash equivalents	**443,142**	(1,066,097)
Cash and cash equivalents at 1 January	**2,811,065**	3,535,113
Effect of foreign exchange rate changes	**123,365**	(24,469)
Cash and cash equivalents at 30 June	**3,377,572**	2,444,547

1. BASIS OF PREPARATION

The condensed consolidated financial statements of Tianjin Development Holdings Limited (the "**Company**", together with its subsidiaries collectively referred to as the "**Group**") have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The financial information relating to the year ended 31 December 2025 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on those consolidated financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of amendments to HKFRS Accounting Standards and application of changes in the Group's interests in existing subsidiaries accounting policies which became relevant to the Group in the current period, the accounting policies and methods of computation used in these condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Application of amendments to HKFRS Accounting Standards

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

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

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

Changes in the Group's interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS Accounting Standards).

3. SEGMENT INFORMATION

The Group determines its operating segments based on the reports that are used to make strategic decisions and reviewed by the chief operating decision-makers (the "**CODM**"). The CODM assess the performance of the operating segments based on a measure of profit after tax.

3. SEGMENT INFORMATION *(continued)*

The Group has six reportable segments. The segments are managed separately as each business offers different products and services. The following summary describes the operation in each of the Group's reportable segments.

(a) Utilities

This segment derives revenue from distribution of water, heat and thermal power to industrial, commercial and residential customers in the Tianjin Economic and Technological Development Area ("**TEDA**"), the People's Republic of China (the "**PRC**"), while the result of electricity business of this segment is contributed by Tianjin TEDA Electric Power Co., Ltd.（天津泰達電力有限公司）("**TEDA Power**"), an investment accounted for using the equity method of the Group.

(b) Pharmaceutical

This segment derives revenue from manufacture and sales of chemical drugs, proprietary Chinese medicines and other healthcare products as well as design, manufacture and printing for pharmaceutical packaging in the PRC.

(c) Hotel

This segment derives revenue from operation of a hotel in Hong Kong.

(d) Electrical and mechanical

This segment derives revenue from manufacture and sales of hydroelectric equipment and large scale pump units.

(e) Port services

The result of this segment is contributed by a listed investment accounted for using the equity method of the Group, Tianjin Port Development Holdings Limited（天津港發展控股有限公司）("**Tianjin Port**"), which provides port services in Tianjin.

(f) Elevators and escalators

The result of this segment is contributed by an investment accounted for using the equity method of the Group, Otis Elevator (China) Investment Company Limited（奧的斯電梯（中國）投資有限公司）("**Otis China**"), which manufactures and sells elevators and escalators.

3. SEGMENT INFORMATION *(continued)*

Disaggregation of revenue from contracts with customers

For the six months ended 30 June 2026 (unaudited)

Segments	Utilities HK$'000	Pharmaceutical HK$'000	Hotel HK$'000	Electrical and mechanical HK$'000	Total HK$'000
Types of goods or services					
Utilities					
Water	144,027	–	–	–	144,027
Heat and thermal power	549,135	–	–	–	549,135
	693,162	–	–	–	693,162
Pharmaceutical					
Manufacture and sales of chemical drugs, proprietary Chinese medicines and other healthcare products	–	723,317	–	–	723,317
Design, manufacture and printing for pharmaceutical packaging	–	88,439	–	–	88,439
	–	811,756	–	–	811,756
Hotel	–	–	70,821	–	70,821
Electrical and mechanical					
Manufacture and sales of hydroelectric equipment and large scale pump units	–	–	–	82,251	82,251
	693,162	811,756	70,821	82,251	1,657,990
Timing of revenue recognition					
A point in time	693,162	811,756	–	–	1,504,918
Over time	–	–	70,821	82,251	153,072
	693,162	811,756	70,821	82,251	1,657,990

3. SEGMENT INFORMATION *(continued)*

Disaggregation of revenue from contracts with customers *(continued)*

For the six months ended 30 June 2025 (unaudited)

Segments	Utilities HK$'000	Pharmaceutical HK$'000	Hotel HK$'000	Electrical and mechanical HK$'000	Total HK$'000
Types of goods or services					
Utilities					
Water	143,963	–	–	–	143,963
Heat and thermal power	568,823	–	–	–	568,823
	712,786	–	–	–	712,786
Pharmaceutical					
Manufacture and sales of chemical drugs, proprietary Chinese medicines and other healthcare products	–	787,402	–	–	787,402
Design, manufacture and printing for pharmaceutical packaging	–	75,878	–	–	75,878
	–	863,280	–	–	863,280
Hotel	–	–	63,047	–	63,047
Electrical and mechanical					
Manufacture and sales of hydroelectric equipment and large scale pump units	–	–	–	79,476	79,476
	712,786	863,280	63,047	79,476	1,718,589
Timing of revenue recognition					
A point in time	712,786	863,280	–	–	1,576,066
Over time	–	–	63,047	79,476	142,523
	712,786	863,280	63,047	79,476	1,718,589

3. SEGMENT INFORMATION *(continued)*

Segment revenue and results

For the six months ended 30 June 2026 (unaudited)

	Utilities HK$'000 (note (i))	Pharmaceutical HK$'000	Hotel HK$'000	Electrical and mechanical HK$'000	Port services HK$'000	Elevators and escalators HK$'000	Total operating segments HK$000
Segment revenue – external customers	693,162	811,756	70,821	82,251	–	–	1,657,990
Operating profit (loss) before interest	42,582	76,450	14,987	(43,296)	–	–	90,723
Interest income	11,464	14,514	–	45	–	–	26,023
Finance costs	–	(1,936)	–	–	–	–	(1,936)
Share of net profit of associates and joint venture accounted for using the equity method	41,302	–	–	–	98,052	153,119	292,473
Profit (loss) before tax	95,348	89,028	14,987	(43,251)	98,052	153,119	407,283
Tax expense	(3,301)	(16,213)	–	–	–	–	(19,514)
Segment results – profit (loss) for the period	92,047	72,815	14,987	(43,251)	98,052	153,119	387,769
Non-controlling interests	(4,288)	(48,119)	–	7,465	–	(26,428)	(71,370)
Profit (loss) attributable to owners of the Company	87,759	24,696	14,987	(35,786)	98,052	126,691	316,399
Segment results – profit (loss) for the period includes:							
Depreciation and amortisation	21,988	57,029	6,786	11,656	–	–	97,459

3. SEGMENT INFORMATION *(continued)*

Segment revenue and results *(continued)*

For the six months ended 30 June 2025 (unaudited)

	Utilities HK$'000 (note (i))	Pharmaceutical HK$'000 (note (ii))	Hotel HK$'000	Electrical and mechanical HK$'000	Port services HK$'000	Elevators and escalators HK$'000	Total operating segments HK$000
Segment revenue							
– external customers	712,786	863,280	63,047	79,476	–	–	1,718,589
Operating profit (loss) before interest	44,541	380,824	10,705	(51,354)	–	–	384,716
Interest income	11,734	64,355	18	235	–	–	76,342
Finance costs	–	(2,136)	–	–	–	–	(2,136)
Share of net profit of associates and joint venture accounted for using the equity method	29,476	–	–	–	72,456	147,351	249,283
Profit (loss) before tax	85,751	443,043	10,723	(51,119)	72,456	147,351	708,205
Tax (expense) credit	(3,137)	(65,160)	4,869	(1)	–	–	(63,429)
Segment results							
– profit (loss) for the period	82,614	377,883	15,592	(51,120)	72,456	147,351	644,776
Non-controlling interests	(4,254)	(245,717)	–	8,824	–	(25,433)	(266,580)
Profit (loss) attributable to owners of the Company	78,360	132,166	15,592	(42,296)	72,456	121,918	378,196
Segment results							
– profit (loss) for the period includes:							
Depreciation and amortisation	22,120	51,405	6,720	11,346	–	–	91,591

3. SEGMENT INFORMATION *(continued)*

Segment revenue and results *(continued)*

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Reconciliation of profit for the period		
Total reportable segments	**387,769**	644,776
Corporate and others (note (iii))	**17,014**	(29,780)
Profit for the period	**404,783**	614,996

notes:

(i) Revenue from supply of water, and heat and thermal power to external customers amounted to HK$144,027,000 and HK$549,135,000, respectively (six months ended 30 June 2025: HK$143,963,000 and HK$568,823,000, respectively).

The above revenue included government supplemental income of HK$50,170,000 (six months ended 30 June 2025: HK$81,692,000) which will be finalised by the relevant bureau of TEDA from time to time. While the recognition of the government supplemental income represents the best estimate of the Group's entitlement after taking all relevant factors into account, it may be different from the actual amount and subsequent adjustment may be necessary.

(ii) During six months ended 30 June 2025, included in the operating profit before interest of pharmaceutical segment was dividend income from Tasly Group (as defined in Note 12) of approximately HK$329,400,000 (six months ended 30 June 2026: Nil).

(iii) These principally include (a) results of the Group's other non-core businesses which are not categorised as reportable segments; and (b) corporate level activities including central treasury management, administrative function and exchange gain or loss.

4. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Interest income	**76,423**	124,656
Government grants	**5,171**	3,645
Rental income, net of negligible outgoings	**168**	525
Sales of scrap materials	**465**	1,071
Dividend income from equity instruments at fair value through other comprehensive income	**5,091**	334,488
Finance lease interest income	**1,338**	2,223
Sundries	**2,957**	8,302
	91,613	474,910

5. OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Reversal of (allowance for) impairment losses:		
– trade receivables	**3,465**	21,591
– other receivables	**(195)**	(662)
– contract assets	**(1,193)**	(7,270)
– finance lease receivable	**(10)**	102
Net losses on disposal/written off of property, plant and equipment	**(5,550)**	(77)
Net fair value (losses) gains on financial assets held for trading		
– listed	**(910)**	3,320
– unlisted	**9,260**	5,113
Gain on disposal of a subsidiary (Note 19)	**47,881**	–
Net exchange gains	**22,494**	4,552
	75,242	26,669

6. TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Current taxation		
PRC Enterprise Income Tax ("**EIT**")	**56,792**	52,301
Underprovision in prior years	**8,630**	24,413
Deferred taxation	**(12,901)**	(210)
	52,521	76,504

No provision for Hong Kong profits tax has been made for both interim periods as there was no estimated assessable profit derived from Hong Kong or the estimated assessable profit is wholly absorbed by tax losses brought forward from previous years.

The Group's PRC subsidiaries are subject to EIT at a rate of 25% except for certain PRC subsidiaries which are subject to a preferential EIT rate of 15% as they are qualified as High and New Technology Enterprises for both interim periods.

7. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Profit for the period is arrived at after charging:		
Employees' benefits expense (including directors' emoluments)	**282,146**	304,443
Cost of inventories recognised as an expense	**945,579**	955,188
Depreciation of property, plant and equipment	**108,895**	94,521
Depreciation of land use rights	**3,363**	4,220
Amortisation of intangible assets	**248**	2,506
Short-term lease expenses on		
– plants, pipelines and networks	**5,066**	5,345
– land and buildings	**3,093**	3,291
Research and development costs charged to other operating expenses	**63,482**	79,370

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Earnings	**(unaudited)**	(unaudited)
Profit attributable to owners of the Company for the purpose of basic earnings per share	**325,222**	344,455
Effect of dilutive potential ordinary shares arising from restricted share incentive scheme of Tianjin Lisheng Pharmaceutical Co., Ltd.（天津力生製藥股份有限公司）（"**Lisheng Pharmaceutical**"）	**(143)**	–
Profit attributable to owners of the Company for the purpose of diluted earnings per share	**325,079**	344,455
Number of shares	**Thousand**	Thousand
Number of ordinary shares for the purpose of basic and diluted earnings per share	**1,072,770**	1,072,770

The computation of the above diluted earnings per share does not include the unvested restricted shares granted by Lisheng Pharmaceutical since they have no dilutive effect for the six months ended 30 June 2025.

9. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Dividends recognised as distribution during the period:		
– 2025 final dividend, paid		
– HK8.82 cents per ordinary share (2024: HK8.82 cents per ordinary share)	**94,618**	94,618

Subsequent to the end of the reporting period, the board of directors (the "**Board**") has declared an interim dividend of HK5.18 cents per ordinary share (six months ended 30 June 2025: HK5.18 cents per ordinary share), amounting to approximately HK$55,569,500 (six months ended 30 June 2025: HK$55,569,500) in total, to the shareholders of the Company whose names appear on the Company's register of members on 25 September 2026.

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the current interim period, the Group acquired property, plant and equipment of HK$23,893,000 (six months ended 30 June 2025: HK$25,930,000) for the purpose of expanding its business.

In addition, neither acquisition nor disposal of investment properties was carried out by the Group for both interim periods.

For investment properties, the fair value at the end of the reporting period has been arrived at based on valuations carried out by Asset Appraisal Limited (six months ended 30 June 2025: HG Appraisal & Consulting Limited), an independent valuer not connected with the Group. The valuations were determined either on the basis of capitalisation of net rental income derived from existing tenancies or by reference to comparable market transactions. There has been no change from the valuation technique used in the prior year. The directors of the Company have determined that there was no material change in fair value of investment properties of the Group for both interim periods.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
The Group's interests in associates and joint venture		
– Listed shares in Hong Kong		
– Tianjin Port	**4,034,767**	3,879,534
– Unlisted shares in the PRC		
– Otis China	**1,038,050**	849,576
– TEDA Power	**1,621,067**	1,519,735
	6,693,884	6,248,845
Market value of listed shares		
– Tianjin Port	**762,976**	866,431

Interests in Tianjin Port at the end of the reporting period included goodwill of HK$820,729,000, net of impairment losses (31 December 2025: HK$820,729,000, net of impairment losses).

12. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	notes	**30 June 2026 HK$'000 (unaudited)**	31 December 2025 HK$'000 (audited)
Equity securities			
Listed, at market value	(i)	**81,575**	85,781
Unlisted	(ii)	**1,508,193**	1,674,559
		1,589,768	1,760,340

notes:

(i) The listed securities mainly represent the Group's 4.2% (31 December 2025: 4.2%) equity interest in Binhai Investment Company Limited ("**Binhai Investment**") which is listed on the Main Board of the Stock Exchange.

As at 30 June 2026, the market value of the Group's equity interest in Binhai Investment was HK$60,383,000 (31 December 2025: HK$68,512,000) and the unrealised fair value loss of HK$8,129,000 (six months ended 30 June 2025: HK$6,967,000) was recognised in other comprehensive income.

(ii) The unlisted equity securities mainly represented the Group's 12.15% (31 December 2025: 12.15%) equity interest in Tasly Bio-Medicine Industry Group Co., Ltd.（天士力生物醫藥產業集團有限公司）("**Tasly Group**") and 31.05% (31 December 2025: 31.05%) equity interest in Tianjin Institute of Pharmaceutical Research Co., Ltd.（天津藥物研究院有限公司）("**Research Institute**"). Tasly Group is a conglomerate in the PRC and among its principal assets is holding Tasly Pharmaceutical Group Co., Ltd.,（天士力醫藥集團股份有限公司）, which is listed on the Shanghai Stock Exchange and is principally engaged in research and development, manufacturing and distribution of pharmaceutical products in the PRC.

Other unlisted equity securities are principally equity instruments in certain entities established and operated in the PRC. They are mainly denominated in Renminbi. The unlisted equity instruments are measured at fair value through other comprehensive income and details of fair value measurements are disclosed in Note 21.

13. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	notes	**30 June 2026 HK$'000 (unaudited)**	31 December 2025 HK$'000 (audited)
Trade receivables			
Trade receivables – exposure at default	(i)	**1,470,802**	1,374,789
Trade receivables – gross		**1,470,802**	1,374,789
Less: allowance for credit losses		**(124,683)**	(123,367)
Trade receivables – net		**1,346,119**	1,251,422
Trade receivables backed by notes		**218,521**	187,860
	(ii)	**1,564,640**	1,439,282
Other receivables, deposits and prepayments		**430,731**	389,248

notes:

(i) Various group companies have different credit policies which are dependent on the practice of the markets and the businesses in which they operate. In general, credit periods of (i) 30 days are granted to corporate customers of the Group's hotel business; (ii) 90 to 180 days are granted to customers in the electrical and mechanical segment; and (iii) 30 to 180 days are granted to customers in the pharmaceutical segment. No credit terms are granted to customers in the utilities segment.

13. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *(continued)*

notes: *(continued)*

(ii) The ageing analysis of the Group's trade receivables (net of allowance) is as follows:

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Within 30 days	**331,705**	353,579
31 to 90 days	**191,891**	173,313
91 to 180 days	**228,114**	203,187
181 to 365 days	**127,104**	203,156
Over 1 year	**685,826**	506,047
	1,564,640	1,439,282

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Investments held for trading:		
Listed shares in Hong Kong	**8,645**	9,556
Listed funds in the PRC	**12,533**	11,115
Unlisted funds in the PRC	**670,608**	710,304
Unlisted trust funds in the PRC	**203,328**	223,785
	895,114	954,760
Analysed as:		
Current	**818,679**	883,799
Non-current	**76,435**	70,961
	895,114	954,760

15. STRUCTURED DEPOSITS

At 30 June 2026, the Group placed with six licensed commercial banks (31 December 2025: four licensed commercial banks) in the PRC for principal-protected structured deposits denominated in Renminbi with maturity of 1 to 11 months (31 December 2025: 1 to 11 months) after the end of the reporting period. The expected annual interest rate for the structured deposits was indicated at 0.1% to 4.0% (31 December 2025: 0.1% to 4.4%) per annum, however, the actual interest to be received is uncertain until maturity. Such structured deposits were accounted for as financial assets at fair value through profit or loss.

16. ENTRUSTED DEPOSITS

As at 30 June 2026, the entrusted deposits denominated in Renminbi were placed with one financial institution (31 December 2025: one financial institution) in the PRC, with maturity from 6 to 12 months (31 December 2025: 6 to 12 months) after the end of the reporting period. The deposits carry the expected rates of return at 3.5% (31 December 2025: 3.5% to 4.0%) per annum.

17. BANK BORROWINGS

During the current interim period, the Group did not obtain any new bank borrowings (six months ended 30 June 2025: HK$22,736,000) and repayment of bank borrowings of HK$26,765,000 (six months ended 30 June 2025: HK$43,113,000).

At the end of the reporting period, the bank borrowings carry effective interest rate at 2.80% to 4.27% (31 December 2025: 2.99% to 4.51%) per annum.

18. TRADE PAYABLES

The ageing analysis of the Group's trade payables, based on invoice date, is as follows:

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Within 30 days	**182,124**	145,903
31 to 90 days	**69,204**	89,695
91 to 180 days	**74,278**	68,810
Over 180 days	**191,021**	175,512
	516,627	479,920

19. DISPOSAL OF A SUBSIDIARY

On 27 January 2026, Tianjin Tai Kang Investment Co., Ltd.（天津泰康投資有限公司）("**Tianjin Tai Kang**") entered into an equity transfer agreement with Tianjin State-owned Capital Investment and Operation Co., Ltd.（天津市國有資本投資營運有限公司）("**Tianjin Capital**"), pursuant to which Tianjin Tai Kang agreed to sell, and Tianjin Capital agreed to acquire, the entire equity interest in Benefo Financial Leasing Co., Ltd.（百利融資租賃有限公司）("**Benefo Financial Leasing**") at the consideration of RMB264,929,184 (equivalent to approximately HK$300,714,000), subject to the terms and conditions of the agreement (the "**Disposal**"). The Disposal was completed on 22 May 2026 on which date control of Benefo Financial Leasing passed to Tianjin Capital and the Group recognised a disposal gain of HK$47,881,000.

19. DISPOSAL OF A SUBSIDIARY *(continued)*

Analysis of assets and liabilities over which control was lost:

	HK$'000
Property, plant and equipment	17
Finance lease receivables	118,598
Deferred tax assets	2,588
Tax recoverable	573
Other receivables, deposits and prepayments	2,594
Time deposits with maturity over three months	102,157
Cash and cash equivalents	77,448
Other payables and accruals	(345)
	303,630

The gain on disposal of a subsidiary arising on the Disposal is as follows:

	HK$'000
Consideration	300,714
Net assets disposed of	(303,630)
Non-controlling interests	50,990
Transaction costs	(193)
Gain on disposal	47,881

Net cash inflow arising on the Disposal is as follows:

	HK$'000
Cash consideration received	300,714
Cash and cash equivalents disposed of	(77,448)
Transaction costs paid	(193)
Net cash inflow for the period	223,073

20. CAPITAL COMMITMENTS

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Contracted but not provided for in respect of additions to property, plant and equipment	**26,840**	19,677

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets 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 those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;

- 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 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

Fair value of the Group's financial assets that are measured at fair value on a recurring basis *(continued)*

Financial assets	Fair value as at 30 June 2026 HK$'000 (unaudited)	Fair value as at 31 December 2025 HK$'000 (audited)	Fair value hierarchy	Valuation technique(s) and key inputs	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Equity instruments at fair value through other comprehensive income						
– listed equity securities	**81,575**	85,781	Level 1	Quoted bid price in active markets	N/A	N/A
– unlisted equity security – Research Institute	**679,647**	808,114	Level 3	Market approach which uses enterprise multiples of comparable companies and a marketability discount	Marketability discount of 20% (31 December 2025: 20%) (note (i))	An increase in the marketability discount would result in a decrease in fair value, and vice versa
– unlisted equity security – Tasly Group	**813,586**	850,942	Level 3	Asset-based approach based on adjusted net asset value	Adjusted net asset value (note (ii))	An increase in the adjusted net asset value would result in an increase in fair value, and vice versa
– other unlisted equity securities	**14,960**	15,503	Level 3	Market approach which uses enterprise multiples of comparable companies and a marketability discount	Marketability discount of 12% (31 December 2025: 12%) (note (iii))	An increase in the marketability discount would result in a decrease in fair value, and vice versa
	1,589,768	1,760,340				

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

Fair value of the Group's financial assets that are measured at fair value on a recurring basis *(continued)*

Financial assets	Fair value as at 30 June 2026 HK$'000 (unaudited)	Fair value as at 31 December 2025 HK$'000 (audited)	Fair value hierarchy	Valuation technique(s) and key inputs	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Financial assets at fair value through profit or loss						
– listed equity securities	**8,645**	9,556	Level 1	Quoted bid price in active markets	N/A	N/A
– listed funds	**12,533**	11,115	Level 1	Quoted bid price in active markets	N/A	N/A
– unlisted funds	**670,608**	710,304	Level 2	Redemption value quoted by the relevant investment fund with reference to the underlying assets (mainly listed securities) of the fund	N/A	N/A
– unlisted trust funds	**203,328**	223,785	Level 2	Redemption value quoted by banks or financial institutions with reference to the underlying assets (mainly listed securities and government bonds) of the trust fund	N/A	N/A
– structured deposits	**630,289**	449,456	Level 2	Redemption value quoted by banks with reference to the expected return of the underlying assets	N/A	N/A
– entrusted deposits	**1,149,044**	1,107,497	Level 2	Redemption value quoted by financial institutions with reference to the expected return of the underlying assets	N/A	N/A
– Profit Guarantee Arrangement (note (iv))	**–**	–	Level 3	Discounted cash flow on estimated profits of Jiangxi Qingchun Kangyuan Pharmaceutical Co., Ltd. （江西青春康源製藥有限公司）(“**Qingchun Kangyuan**”) and its subsidiary (collectively the “**Qingchun Kangyuan Group**”) attributable to owners of Qingchun Kangyuan and discount rate	Estimate profits of Qingchun Kangyuan Group attributable to owners of Qingchun Kangyuan	The higher the estimate profits of Qingchun Kangyuan Group attributable to owners of Qingchun Kangyuan, the lower the fair value, and vice versa
	2,674,447	2,511,713				

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

Fair value of the Group's financial assets that are measured at fair value on a recurring basis *(continued)*

notes:

(i) As at 30 June 2026, a 5% increase/decrease in the marketability discount holding all other variable constant would decrease/increase the carrying amount of the unlisted equity security by HK$42,523,000 (31 December 2025: HK$50,550,000).

(ii) As at 30 June 2026, a 1% increase/decrease in the adjusted net asset value holding all other variables constant would increase/decrease the carrying amount of the unlisted equity security by HK$8,136,000 (31 December 2025: HK$8,509,000).

(iii) As at 30 June 2026, a 5% increase/decrease in the marketability discount holding all other variables constant would decrease/increase the carrying amount of the unlisted equity securities by HK$833,000 (31 December 2025: HK$808,000).

(iv) Pursuant to the equity acquisition agreement in relation to the acquisition of 65% equity interest in Qingchun Kangyuan entered into by Lisheng Pharmaceutical on 29 December 2023, Qingchun Kangyuan, the vendors and Mr. Liu Musheng (collectively referred as the "**Guarantors**") have provided performance guarantee covering the financial years of 2023, 2024, 2025 and 2026 ("**Performance Commitment Period**") to the Group, among which, the audited consolidated net profit (after deduction of non-recurring profits and losses) ("**Audited Net Profit**") of Qingchun Kangyuan in the financial year of 2023 should not be less than RMB11,332,200 and, during the Performance Commitment Period, (i) the Audited Net Profit of Qingchun Kangyuan in any financial year shall not be lower than that in the preceding financial year; and (ii) the average growth rate of the Audited Net Profit of Qingchun Kangyuan per annum should not be lower than 10%, and accordingly, the Audited Net Profit of Qingchun Kangyuan in the financial year of 2026 shall not be less than RMB14,731,860 (collectively the "**Performance Guarantee**"). In the event that the Audited Net Profit of Qingchun Kangyuan cannot reach the required level as stipulated under the Performance Guarantee in respect of any relevant year in or the whole period of the Performance Commitment Period, the Guarantors will compensate to Lisheng Pharmaceutical (the "**Profit Guarantee Arrangement**"). Upon review by the Group during the years ended 31 December 2024 and 2025, the Performance Guarantee has been achieved and no performance compensation is required.

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

Reconciliation of Level 3 fair value measurements of financial assets

	Unlisted equity securities HK$'000
At 1 January 2025 (audited)	1,289,494
Fair value change recognised in other comprehensive expense	(427,435)
Transfer into level 3 (note (b))	895,767
Disposal	(12,544)
Exchange differences	24,792
At 30 June 2025 (unaudited)	1,770,074
At 1 January 2026 (audited)	**1,674,559**
Fair value change recognised in other comprehensive expense	**(228,725)**
Exchange differences	**62,359**
At 30 June 2026 (unaudited)	**1,508,193**

notes:

(a) All gains and losses included in other comprehensive income relate to equity instruments at fair value through other comprehensive income held at the end of the reporting period and are reported as changes of "fair value through other comprehensive income reserve".

(b) The fair value of Research Institute as at 30 June 2025 was determined by using market approach based on transaction price with consideration of market multiples (31 December 2024: market approach based on the transaction price by reference to the unilateral capital injection that was closest to the end of the reporting period) that better reflected its fair value on that date. Since the valuation technique changed in the prior interim period involved significant unobservable inputs and hence the fair value measurement of Research Institute was transferred into Level 3 in the prior interim period from Level 2 as at 31 December 2024.

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Management of the Group is responsible for determination of the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments.

Detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities are disclosed above.

There were no transfers between Levels 1, 2 and 3 during both interim periods, save as the fair value measurement of Research Institute transferred into Level 3 from Level 2 in the prior interim period, details of which are set out in Note 21(b).

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a non-recurring basis

The directors of the Company consider that the carrying amounts of trade and other receivables, finance lease receivables, restricted bank balances, time deposits with maturity over three months, cash and cash equivalents, trade and other payables, short-term bank borrowings and balances with investments accounted for using the equity method, ultimate holding company and related companies that are recorded at amortised cost in these condensed consolidated financial statements approximate their fair values due to the short-term maturities of these assets and liabilities.

The fair values of the financial assets and financial liabilities recorded at amortised cost have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

The fair values of long-term bank borrowings are estimated using the expected future contractual payments discounted at current market interest rates available to similar financial instruments and approximate their carrying amounts.

22. RELATED PARTY DISCLOSURES

The Group is controlled by Tsinlien Group Company Limited ("**Tsinlien**"), which owns approximately 62.81% (31 December 2025: approximately 62.81%) of the Company's ordinary shares as at 30 June 2026. The remaining approximately 37.19% (31 December 2025: approximately 37.19%) of the Company's ordinary shares are widely held.

Tsinlien is a state-owned enterprise and ultimately controlled by Tianjin Municipal People's Government of the PRC. In accordance with HKAS 24 (Revised) "Related Party Disclosures", entities directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include Tsinlien, its subsidiaries and associates, other state-owned enterprises and their subsidiaries directly or indirectly controlled by the PRC government, and other entities and corporations in which the Company is able to exercise joint control or significant influence, and key management personnel of the Company and Tsinlien as well as their close family members.

During both interim periods, except for the government supplemental income granted by the relevant bureau of TEDA to the utilities business, the Group's significant transactions with other entities that are controlled, jointly controlled or significantly influenced by the PRC government (the "**Other Government-Related Entities**") mainly include majority of its cash at banks and time deposits in banks and the corresponding interest income and part of sales and purchases of goods and services (such as purchase of utilities including electricity and water and sales of pharmaceutical products which constituted the majority of the Group's purchases and sales). The price and other terms of such transactions are set out in the agreements governing these transactions or as mutually agreed, as appropriate.

22. RELATED PARTY DISCLOSURES *(continued)*

Apart from the above-mentioned transactions with the Other Government-Related Entities and the related party transactions and balances set out elsewhere in these condensed consolidated financial statements, the following is a summary of the significant related party transactions and balances arising in the normal course of the Group's business:

(a) Related party transactions

(i) Transactions with related parties of the Group

		Six months ended 30 June	
		2026	2025
		HK$'000	HK$'000
	notes	**(unaudited)**	(unaudited)
Short-term lease expenses for plant, pipelines and networks	(ii)	**5,065**	5,323
Purchase of goods	(i)	**1,169**	5,017
Purchase of daily office supplies, consumables, spare parts and other products	(i)	**29,159**	27,413
Purchase of services	(i)	**13,503**	9,182
Purchase of steam and thermal power	(iii)	**466,491**	494,499
Provision of services	(i)	**1,829**	–
Sales of goods	(i)	**18,730**	25,569
Sales of water, steam and heat	(v)	**51,414**	49,696
Purchase of electricity	(v)	**7,164**	9,820

22. RELATED PARTY DISCLOSURES *(continued)*

(a) Related party transactions *(continued)*

(i) Transactions with related parties of the Group (continued)

notes:

(i) These transactions were conducted with related parties, which are entities controlled by Tianjin Pharmaceutical Group Co., Ltd.（天津市醫藥集團有限公司）(“**Tianjin Pharmaceutical**”) and Tianjin TEDA Investment Holding (Group) Co., Ltd（天津泰達投資控股（集團）有限公司）(“**TEDA Holding**”), in accordance with the terms of the relevant agreements.

(ii) The amount represents the leasing fees paid by the Group to Tianjin TEDA Water Industry Co. Ltd.（天津泰達水業有限公司）and Tianjin TEDA Heat & Power Energy Management Co. Ltd.（天津泰達熱電能源管理有限公司）for leasing of water transmission pipelines as well as the heat and power networks and related facilities for its utilities supply business in TEDA, respectively, in accordance with the terms of the relevant agreements. Both companies are wholly-owned subsidiaries of TEDA Holding.

(iii) The amount represents the purchase of steam and thermal power from Tianjin TEDA Energy Development Co., Ltd.（天津泰達能源發展有限責任公司）and Guohua Energy Development (Tianjin) Co., Ltd.（國華能源發展（天津）有限公司）for heat and thermal power supply business in TEDA in accordance with the terms of the relevant agreements. Both companies are wholly-owned subsidiaries of TEDA Holding.

(iv) The above related party transactions in (i), (ii) and (iii) with entities controlled by Tianjin Pharmaceutical and TEDA Holding, connected persons of the Group, also constitute non-exempted continuing connected transactions under Chapter 14A of the Listing Rules.

(v) These related party transactions represent the provision/purchase of utilities to/from entities controlled by TEDA Holding at published tariffs applicable to all independent customers that are exempted from all disclosure requirements in accordance with Rule 14A.97 of the Listing Rules.

22. RELATED PARTY DISCLOSURES *(continued)*

(a) Related party transactions *(continued)*

(ii) Key management compensation

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Fees	**–**	–
Salaries and other emoluments	**2,083**	2,074
Retirement benefits scheme contribution	**18**	18
	2,101	2,092

The emoluments of certain executive directors and senior management were borne by respective immediate shareholders for both interim periods.

(b) Related party balances

Details of the related party balances are set out in the condensed consolidated statement of financial position.

BUSINESS REVIEW

Utilities

The Group's utility businesses are mainly operated in the Tianjin Economic and Technological Development Area ("**TEDA**"), the People's Republic of China (the "**PRC**") through supplying water, heat and thermal power as well as electricity to industrial, commercial and residential customers.

TEDA is a national development zone and has long been in a leading position in terms of overall capabilities in the PRC. Situated at the centre of Bohai economic rim and also at the intersection of Beijing-Tianjin-Hebei metropolitan regions, TEDA is an ideal place for manufacturing and R&D developments.

Water

Tianjin TEDA Tsinlien Water Supply Co., Ltd.（天津泰達津聯自來水有限公司）(the "**Water Company**") and its subsidiary are principally engaged in supply of tap water in TEDA. They also engaged in installation and maintenance of water pipes, technical consultancy, retail and wholesale of water pipes and related parts as well as provision of water testing services. The daily water supply capacity of the Water Company was approximately 325,000 tonnes.

For the six months ended 30 June 2026, the Water Company recorded revenue of approximately HK$144 million, which was about the same as that of corresponding period last year. Profit from the Water Company amounted to approximately HK$18.6 million, representing a decrease of 15.5% as compared with HK$22 million in the same period in 2025. The decrease was primarily attributable to a lower volume of water sold and a decline in ancillary services income. The total quantity of water sold for the period was approximately 21,652,000 tonnes, a decline of 4% over the corresponding period last year.

Heat and Thermal Power

Tianjin TEDA Tsinlien Heat & Power Co., Ltd.（天津泰達津聯熱電有限公司）(the "**Heat & Power Company**") is principally engaged in distribution of steam and heat for industrial, commercial and residential customers within TEDA. The Heat & Power Company has transmission pipelines of approximately 576 kilometres (30 June 2025: 549 kilometres) and more than 120 processing stations (30 June 2025: 120 processing stations) in TEDA. The daily distribution capacity was approximately 30,000 tonnes of steam.

Utilities *(continued)*

Heat and Thermal Power *(continued)*

For the period under review, revenue from the Heat & Power Company was approximately HK$549.1 million, representing a decrease of 3.5% from HK$568.8 million in the same period in 2025. The decline in revenue was mainly due to the decrease in government supplemental income by HK$31.5 million and lower volumes of steam sold. Profit from the Heat & Power Company was approximately HK$32.1 million, representing an increase of 3.2% from HK$31.1 million in the corresponding period last year. The result was primarily attributable to a combination of tariff improvement and reduction in average steam purchase cost, driving an increase in operating margin. The total quantity of steam sold for the period was approximately 1,633,000 tonnes, a decrease of 4.7% over the corresponding period last year.

Electricity

As at 30 June 2026, the Group has 47.09% equity interest in Tianjin TEDA Electric Power Co., Ltd.（天津泰達電力有限公司）(“**TEDA Power**”). TEDA Power is principally engaged in supply of electricity in TEDA and also provides services in relation to construction of electricity supply network, application of technology related to new energy and renewable energy, electricity construction and related technical services as well as energy storage technology services. Currently, the installed transmission capacity of TEDA Power is approximately 1,060,000 kVA.

For the six months ended 30 June 2026, TEDA Power recorded revenue of approximately HK$1,127.8 million, representing a decrease of 1.1% as compared with the corresponding period in 2025. Its profit contribution to the Group amounted to approximately HK$41.3 million, representing an increase of HK$11.8 million as compared with the same period last year. The total quantity of electricity sold for the period was approximately 1,402,247,000 kWh, a decrease of 3.2% as compared with the same period last year.

Pharmaceutical

Pharmaceutical segment is principally engaged in the manufacture and sale of chemical drugs, proprietary Chinese medicines and other healthcare products as well as design, manufacture and printing for pharmaceutical packaging in the PRC.

For the period under review, the segment revenue was approximately HK$811.7 million, a decrease of 6% from HK$863.3 million in the corresponding period last year. Of the total segment revenue, revenue from manufacture and sale of chemical drugs, proprietary Chinese medicines and other healthcare products was approximately HK$723.3 million, a decrease of 8.1% over the same period last year. Revenue from sale of packaging materials increased by HK$12.5 million to approximately HK$88.4 million from HK$75.9 million in the six months ended 30 June 2025. Profit from pharmaceutical segment was approximately HK$72.8 million, compared with HK$377.9 million in the corresponding period of 2025. The decrease was primarily attributable to a higher base in the prior period due to special dividend of HK$303.1 million received from Tasly Bio-Medicine Industry Group Co., Ltd.（天士力生物醫藥產業集團有限公司）(“**Tasly Group**”).

Stripping out the impact of special dividend received from Tasly Group in the prior period, profit from pharmaceutical segment for the current period decreased by approximately HK$2 million on a like-for-like basis. This result was mainly attributable to the decline in profit from design, manufacture and printing for pharmaceutical packaging business, partly offset by lower selling and distribution expenses, general and administrative expenses and research and development expenditures.

Hotel

Courtyard by Marriott Hong Kong (“**Courtyard Hotel**”), situated in a prime location on the Hong Kong Island, is a 4-star hotel with 245 guest rooms. It is positioned as an ideal lodge for business and leisure travellers.

For the six months ended 30 June 2026, Courtyard Hotel recorded revenue of approximately HK$70.8 million, representing an increase of 12.4% as compared with HK$63 million for the corresponding period in 2025. Profit from Courtyard Hotel amounted to approximately HK$15 million, as compared with HK$15.6 million for the corresponding period last year. Excluding the one-off tax credit of HK$4.9 million recognised in the prior period, profit from Courtyard Hotel for the current period increased by approximately HK$4.3 million on a like-for-like basis. The average occupancy rate improved to 92.2% from 89.7% for the same period in 2025, and the average room rate was also elevated.

Electrical and Mechanical

Electrical and mechanical segment is principally engaged in the manufacture and sale of hydroelectric equipment as well as large scale pump units in the PRC.

For the period under review, revenue from electrical and mechanical segment amounted to approximately HK$82.3 million, representing an increase of 3.5% as compared with the corresponding period last year. Loss from electrical and mechanical segment narrowed to approximately HK$43.3 million, representing an improvement of 15.3% as compared with the loss of HK$51.1 million for the same period in 2025. The reduction in loss was mainly due to the margin improvement on certain contract works completed during the period. The Group will continue to adopt a cautious view towards the operating performance of hydroelectric equipment business and assess various restructuring options, as and when appropriate.

Strategic and Other Investments

Port Services

As at 30 June 2026, the Group had 21% equity interest in Tianjin Port Development Holdings Limited (stock code: 3382) ("**Tianjin Port**"). Tianjin Port is engaged in the provision of port services including container and cargo handling services, sales and other port ancillary services in Tianjin, the PRC.

During the period under review, the revenue of Tianjin Port decreased by 9% to approximately HK$6,316.7 million and profit attributable to owners of Tianjin Port was approximately HK$466.9 million, representing an increase of 35.3% over the same period last year.

Tianjin Port contributed to the Group a profit of approximately HK$98.1 million, representing an increase of 35.3% compared to the same period last year.

Strategic and Other Investments *(continued)*

Elevators and Escalators

As at 30 June 2026, the Group had 16.55% effective interest in Otis Elevator (China) Investment Company Limited（奧的斯電梯（中國）投資有限公司）(“**Otis China**”). Otis China is engaged in the manufacture and sale of elevators and escalators in the PRC.

During the period under review, the revenue of Otis China amounted to approximately HK$8,273.1 million, representing an increase of 22.7% over the corresponding period in 2025.

Otis China contributed to the Group a profit (after non-controlling interests) of approximately HK$126.7 million, representing an increase of 3.9% over the same period last year.

Investment in Binhai Investment Company Limited

During the period under review, the Group had 4.2% interest in Binhai Investment Company Limited (“**Binhai Investment**”) (stock code: 2886). As at 30 June 2026, the market value of the Group’s interest in Binhai Investment was approximately HK$60.4 million (31 December 2025: HK$68.5 million) and the unrealised fair value loss of approximately HK$8.1 million (for the six months ended 30 June 2025: HK$7 million) was recognised in other comprehensive income.

Investment in Tasly Bio-Medicine Industry Group Co., Ltd

During the period under review, the Group had 12.15% equity interest in Tasly Group, a non-core passive investment in relation to the Group’s pharmaceutical segment which was acquired indirectly from the controlling shareholder in 2015 by using merger accounting at an investment costs of HK$191.5 million and is now held by Tianjin Central Pharmaceutical Co., Ltd.（天津市中央藥業有限公司）(“**Central Pharmaceutical**”), a wholly-owned subsidiary of Tianjin Lisheng Pharmaceutical Co., Ltd.（天津力生製藥股份有限公司）. Tasly Group is a conglomerate established under the laws of the PRC on 30 March 2000 and among its principal assets is holding of 257,164,534 A shares in Tasly Pharmaceutical Group Co., Ltd.（天士力醫藥集團股份有限公司）(“**Tasly Pharmaceutical**”), representing approximately 17.21% of Tasly Pharmaceutical’s total issued A shares. Tasly Pharmaceutical is principally engaged in the research and development, manufacturing and distribution of pharmaceutical products in the PRC.

Strategic and Other Investments *(continued)*

Investment in Tasly Bio-Medicine Industry Group Co., Ltd (continued)

As at 30 June 2026, the fair value of investment in Tasly Group was approximately HK$813.6 million (31 December 2025: HK$850.9 million), accounting for approximately 3.5% of the Group's total assets, and on that date the unrealised fair value loss and exchange differences amounting to approximately HK$37.3 million has been recognised in other comprehensive income. During the period under review, the Group did not receive dividend income from Tasly Group (for the year ended 31 December 2025: HK$331.6 million). The holding of 12.15% equity interest in Tasly Group is not held for trading and not expected to be sold in the foreseeable future.

DISPOSAL OF THE ENTIRE EQUITY INTEREST IN BENEFO FINANCIAL LEASING CO., LTD.

On 27 January 2026, Tianjin Tai Kang Investment Co., Ltd.（天津泰康投資有限公司）(“**Tianjin Tai Kang**”), a 82.74%-owned subsidiary of the Company, had entered into an equity transfer agreement with Tianjin State-owned Capital Investment and Operation Co., Ltd.（天津國有資本投資運營有限公司）, a state-owned enterprise established in the PRC, for the disposal of the entire equity interest in Benefo Financial Leasing Co., Ltd.（百利融資租賃有限公司）, a wholly-owned subsidiary of Tianjin Tai Kang and operates the non-core business of the Group, at a cash consideration of approximately RMB264.9 million. The disposal was completed on 22 May 2026 and the Group recognised a gain of approximately HK$47.9 million. Details of the disposal were set out in the announcements of the Company dated 27 January 2026 and 4 February 2026.

PROSPECT

Looking ahead to the second half of the year, the global economic landscape remains uncertain, with geopolitical tensions showing no signs of abating. Against this complex and evolving external backdrop, supported by the gradual implementation of various economic measures, the Chinese economy is expected to sustain its steady growth trajectory with momentum building towards innovation-driven and higher-quality development. The Company will continue to enhance the growth potential of its existing businesses, and actively deepen its internal reform and development initiatives so as to drive business quality improvement and operational efficiency. Meanwhile, the Company will also maintain its strict financial discipline and stable financial resources.

LIQUIDITY, CAPITAL RESOURCES AND PRINCIPAL RISK

As at 30 June 2026, the Group's total cash on hand and total bank borrowings stood at approximately HK$6,834.1 million and approximately HK$1,958.9 million respectively (31 December 2025: approximately HK$6,800.6 million and HK$1,980.7 million respectively).

The Group's sources of funding comprise cash flow generated from operations and loan facilities. The bank borrowings of HK$221.7 million (31 December 2025: HK$238.8 million) will mature within one year. During the period under review, the Group entered into a revolving loan facility with a commercial bank in Hong Kong, pursuant to which loan facility of up to HK$100 million were made available to the Group subject to floating rates with a spread of 1.5% over HIBOR of relevant interest periods. The gearing ratio as measured by total borrowings to shareholders' funds was at approximately 14.4% as at 30 June 2026 (31 December 2025: approximately 15.2%).

Of the total HK$1,958.9 million bank borrowings outstanding as at 30 June 2026, HK$1,908.4 million were subject to floating rates with spread of 1.4% to 1.5% over HIBOR of relevant interest periods, of which the amount of HK$1,708.4 million outstanding is linked to the sustainability performance of the Group's environmental, social and governance performance metrics, which may be reduced depending on the extent of pre-determined key performance indicators being met, and RMB43.9 million (equivalent to approximately HK$50.5 million) of bank borrowings were fixed-rates debts with annual rates at 2.8% to 3.1%.

As at 30 June 2026, 97% (31 December 2025: 96%) of the Group's total bank borrowings was denominated in Hong Kong dollar, 3% (31 December 2025: 4%) was denominated in Renminbi.

The Group's activities expose it to a variety of financial risks. The major financial assets and financial liabilities of the Group include cash and cash equivalents, time deposits with maturity over three months, structure deposits, entrusted deposits, other financial assets and bank borrowings. The Group's financial risk management is aimed at mitigating the impact of fluctuations in interest rates and exchange rates on the Group's overall financial position and to minimise the Group's interest rate, foreign currency and credit risk exposures. The Group regularly reviews its liquidity and financing requirements to ensure that sufficient financial resources are maintained to cover the funding needs.

During the period under review, the Group has not entered into any derivative contracts or hedging transactions. The Group manages its foreign currency risk by closely reviewing the movement of the foreign currency rate and shall consider hedging foreign currency exposure should the need arise.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had a total of approximately 2,693 employees (31 December 2025: 2,796) of which approximately 236 (31 December 2025: 244) were management personnel and 910 (31 December 2025: 990) were technical staff, with the balance being production workers.

The Group contributes to the employee pension scheme established by the PRC Government which undertakes to assume the retirement benefit obligations of all existing and future retired employees of the Group in the PRC. The Group also contributes to the mandatory provident fund scheme for its Hong Kong employees. The contributions are based on a fixed percentage of the members' salaries. Meanwhile, certain employees and employee groups of the Group's subsidiary in the PRC are also eligible for the relevant restricted share incentive scheme. During the period under review, the Group had no forfeited contributions under the retirement benefits scheme that might be used by the Group to reduce the existing level of contributions (31 December 2025: Nil).

CHARGE ON ASSETS

As at 30 June 2026, restricted bank balances of HK$83.6 million (31 December 2025: HK$70.1 million), property, plant and equipment with carrying amounts of HK$65.4 million (31 December 2025: HK$64 million) and land use right of HK$4.7 million (31 December 2025: HK$4.6 million) were respectively pledged to financial institutions by the Group to secure general banking facilities.

DIRECTORS' INTERESTS

As at 30 June 2026, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")) as recorded in the register required to be kept under section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for the Securities Transactions by Directors of Listed Issuers (the "**Model Code**").

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 30 June 2026 was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements that would enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SHARE SCHEME

The Company and its subsidiaries do not have any share scheme under Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2026, the following persons or corporations, other than the directors or chief executive of the Company, had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of shareholder	notes	Capacity	Number of shares held	Approximate percentage of total issued shares
Tianjin TEDA Investment Holding (Group) Co., Ltd. (天津泰達投資控股(集團)有限公司) (formerly Tianjin TEDA Investment Holding Co., Ltd. (天津泰達投資控股有限公司))("**TEDA Holding**")	1&2	Interest of controlled corporation	673,759,143	62.81%
Tianjin TEDA Industrial Group Co., Ltd. (天津泰達實業集團有限公司)("**TEDA Industrial**")	1&2	Interest of controlled corporation	673,759,143	62.81%
Tianjin Bohai State-owned Assets Management Co., Ltd. (天津渤海國有資產經營管理有限公司) ("**Tianjin Bohai**")	1&2	Interest of controlled corporation	673,759,143	62.81%
Tsinlien Group Company Limited (津聯集團有限公司)("**Tsinlien**")	1&3	Direct beneficial interest and interest of controlled corporation	673,759,143	62.81%

SUBSTANTIAL SHAREHOLDERS' INTERESTS *(continued)*

notes:

1. All interests stated above represent long positions.

2. Tsinlien is a direct wholly-owned subsidiary of Tianjin Bohai, which in turn is a direct wholly-owned subsidiary of TEDA Industrial. TEDA Industrial is a non-wholly owned subsidiary of TEDA Holding. By virtue of the SFO, TEDA Holding, TEDA Industrial and Tianjin Bohai are deemed to be interested in the same parcel of shares of the Company in which Tsinlien is interested.

3. As at 30 June 2026, Tsinlien directly held 22,960,000 shares of the Company and its wholly-owned subsidiaries, namely Tianjin Investment Holdings Limited and Tsinlien Investment Limited held 570,039,143 shares and 80,760,000 shares of the Company respectively. By virtue of the SFO, Tsinlien is deemed to have an interest in the shares of the Company in which Tianjin Investment Holdings Limited and Tsinlien Investment Limited are interested.

Save as disclosed above, as at 30 June 2026, the Company had not been notified by any person or corporation, other than the directors or chief executive of the Company, who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

CORPORATE GOVERNANCE

The Company has complied with the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 of the Listing Rules throughout the six months ended 30 June 2026 except for a deviation from code provision F.1.3 of the CG Code, which stipulates that the chairman of the Board should attend the annual general meeting. Due to other business engagements, Mr. Teng Fei, the then chairman of the Board, was unable to attend the annual general meeting of the Company held on 23 June 2026 (the "**2026 AGM**"). Dr. Zhai Xinxiang, an executive director and the general manager of the Company, attended and was elected as the chairman of the 2026 AGM pursuant to the articles of association of the Company. Despite Mr. Teng Fei not being able to attend the 2026 AGM, Dr. Zhai Xinxiang, together with other members of the Board who attended the 2026 AGM, were available to answer questions at the 2026 AGM to ensure effective communication with the shareholders of the Company.

The Board will continue to develop, monitor and review the Company's corporate governance practices and procedures and make necessary changes when it considers appropriate.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct for directors' securities transactions. Having made specific enquiry, all the directors have confirmed that they have complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2026.

The Company has also established written guidelines regarding securities transaction on terms no less exacting than the Model Code for senior management and specific individuals who may have access to price sensitive information in relation to the securities of the Company.

UPDATES IN DIRECTORS' INFORMATION

1. Mr. Teng Fei has resigned as chairman of the Board and executive director of the Company, chairman of the nomination committee, a member of each of the remuneration committee and the investment committee of the Board and ceased to be an authorised representative of the Company as required under Rule 3.05 of the Listing Rules with effect from 31 July 2026.

2. Mr. Zhang Wang has been appointed as chairman of the Board and an executive director, chairman of the nomination committee, a member of each of the remuneration committee and the investment committee of the Board as well as an authorised representative of the Company as required under Rule 3.05 of the Listing Rules with effect from 31 July 2026.

   Mr. Zhang Wang has also been appointed as chairman of Tianjin Bohai with effect from 6 August 2026.

3. Mr. Sun Lijun has been appointed as deputy general manager of TEDA Industrial, Tianjin Bohai and Tsinlien with effect from 26 June 2026, 6 August 2026 and 17 August 2026 respectively.

   Mr. Sun Lijun has also been appointed as executive director of Tianjin Port Development Holdings Limited (Stock Code: 3382) with effect from 27 August 2026.

4. Mr. Lau Ka Keung had been redesignated to and has resigned as non-executive director of Million Cities Holdings Limited (Stock Code: 2892) with effect from 16 December 2025 and 1 April 2026 respectively.

UPDATES IN DIRECTORS' INFORMATION *(continued)*

5. Mr. Sin Hendrick has retired as independent non-executive director of Evergreen Products Group Limited (Stock Code: 1962) with effect from 15 May 2026.

Save as disclosed above, there were no other changes in information of the directors of the Company subsequent to the date of 2025 annual report of the Company which are required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

REVIEW BY AUDIT COMMITTEE

At the request of the Audit Committee of the Company, the Group's independent auditor has carried out a review of the unaudited condensed consolidated financial statements in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. The Audit Committee had reviewed the accounting principles and practices adopted by the Group and discussed with the management the effectiveness of the Company's risk management (including ESG risks) and internal control systems, auditing and financial reporting matters including the review of unaudited condensed consolidated financial statements for the six months ended 30 June 2026.

The Audit Committee is chaired by Ms. Ng Yi Kum, Estella and includes three other members, Mr. Wong Shiu Hoi, Peter, Mr. Lau Ka Keung and Mr. Sin Hendrick.

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

(i) On 1 February 2023, the Company entered into a facility letter (the "**2023 Facility Letter**") with a bank as lender (the "**2023 Facility Lender**") in respect of a revolving loan facility of HK$100 million (the "**2023 Facility**"). The 2023 Facility has no fixed term and is subject to annual review at any time by the 2023 Facility Lender.

According to the 2023 Facility Letter, the Company undertakes, among others, that the State-owned Assets Supervision and Administration Commission of the Tianjin Municipal People's Government ("**Tianjin SASAC**") shall remain as the ultimate beneficial owner of the Company and maintain a majority shareholding ownership directly or indirectly in the Company of more than 50%.

If violation of the relevant undertakings under the 2023 Facility Letter occurs, the 2023 Facility Lender may suspend, withdraw or make demand for repayment of the whole or any part of the 2023 Facility at any time or determine whether or not to permit drawings in relation to the 2023 Facility.

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES *(continued)*

(ii) On 11 December 2024, the Company entered into a facility letter (the "**2024 Facility Letter**") with a bank as lender (the "**2024 Facility Lender**") in respect of an uncommitted revolving loan facility of HK$100 million for a period of 12 months from the date of acceptance of the 2024 Facility Letter, and which may be extended on an annual basis at the sole and absolute discretion of the 2024 Facility Lender.

According to the 2024 Facility Letter, the Company undertakes, among others, that the Tianjin Municipal People's Government shall maintain not less than 50% direct or indirect majority shareholding ownership in the Company, and the Company shall remain under direct or indirect management control of Tsinlien.

If violation of the relevant undertakings under the 2024 Facility Letter occurs, the 2024 Facility Lender shall have the liberty to execute its rights under the 2024 Facility Letter, related loan documents or any applicable terms and conditions for satisfying the liabilities of the Company.

(iii) On 30 May 2025, the Company entered into a facility letter (the "**2025 Facility Letter**") with a bank as lender (the "**2025 Facility Lender**") in respect of an uncommitted revolving loan facility of HK$100 million for a period of one year after the acceptance of the 2025 Facility Letter, and which may be extended on an annual basis at the sole and absolute discretion of the 2025 Facility Lender.

According to the 2025 Facility Letter, the Company undertakes, among others, that the Tianjin SASAC shall remain as the ultimate beneficial owner of the Company and maintain more than 50% of the shareholding ownership, directly or indirectly, in the Company.

If violation of the relevant undertakings under the 2025 Facility Letter occurs, the Company shall on demand indemnify the 2025 Facility Lender against any cost, loss or liability incurred by the 2025 Facility Lender.

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES *(continued)*

(iv) On 17 September 2025, the Company entered into a facility agreement (the "**2025 Facility Agreement**") with a syndicate of banks as lenders (the "**2025 Syndicate Lenders**") in respect of a term loan facility of up to HK$2,000 million for a period of 36 months commencing from the date of utilisation.

Pursuant to the 2025 Facility Agreement, it will be an event of default, inter alia, if: (i) the Tianjin SASAC ceases to maintain a majority shareholding ownership directly or indirectly in the Company of more than 50%, or (ii) the Company ceases to be under the direct or indirect management control of Tsinlien.

On and at any time after the occurrence of an event of default which is continuing, the agent acting for the 2025 Syndicate Lenders may, and shall if so directed by a majority of the 2025 Syndicate Lenders, by notice to the Company: (a) cancel the total commitments or any part(s) thereof; (b) declare that the loans or any relevant part thereof, together with accrued interest, and all other amounts accrued or outstanding be immediately due and payable; and/or (c) declare that the loans or any relevant part thereof be payable on demand.

(v) On 29 April 2026, the Company entered into a facility letter (the "**2026 Facility Letter**") with a bank as lender (the "**2026 Facility Lender**") in respect of a revolving loan facility of HK$100 million (the "**2026 Facility**"). The 2026 Facility has no fixed term and is subject to annual review at any time by the 2026 Facility Lender.

According to the 2026 Facility Letter, the Company undertakes, among others, that the Tianjin SASAC shall maintain a majority shareholding ownership directly or indirectly in the Company of more than 50%.

If violation of the relevant undertakings under the 2026 Facility Letter occurs, the 2026 Facility Lender may suspend, withdraw or make demand for repayment of the whole or any part of the 2026 Facility at any time or determine whether or not to permit drawings in relation to the 2026 Facility.

As at 30 June 2026, the above specific performance obligations imposed on the controlling shareholder(s) of the Company continue to exist.

INTERIM DIVIDEND

The Board has declared an interim dividend of HK5.18 cents per share for the six months ended 30 June 2026 (30 June 2025: HK5.18 cents per share) to the shareholders whose names appear on the Company's register of members on 25 September 2026. The interim dividend will be paid on 30 October 2026.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 23 September 2026 (Wednesday) to 25 September 2026 (Friday), both days inclusive, during which period no transfer of shares will be registered. The record date for entitlement of the interim dividend will be 25 September 2026 (Friday). In order to qualify for the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 22 September 2026 (Tuesday).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

As at 30 June 2026, the Company did not hold any treasury shares (as defined under the Listing Rules).

By Order of the Board
Zhang Wang
Chairman and Executive Director

Hong Kong, 28 August 2026

TO THE BOARD OF DIRECTORS OF
TIANJIN DEVELOPMENT HOLDINGS LIMITED
天津發展控股有限公司
(incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Tianjin Development Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 5 to 39, 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 enquiries, 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.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

28 August 2026