深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

股份代號 Stock Code: 00604

中期報告 2026
Interim Report

Contents

Corporate Information

Executive Directors

Mr. WANG Yuwen, *Chairman*
Ms. CAI Xun
Mr. YAN Zhongyu
Dr. XIANG Dong

Independent Non-Executive Directors

Mr. LI Wai Keung
Dr. WONG Yau Kar, David
Prof. GONG Peng

Audit Committee

Mr. LI Wai Keung, *Chairman*
Dr. WONG Yau Kar, David
Prof. GONG Peng

Nomination Committee

Dr. WONG Yau Kar, David, *Chairman*
Mr. WANG Yuwen
Ms. CAI Xun
Mr. LI Wai Keung
Prof. GONG Peng

Remuneration Committee

Dr. WONG Yau Kar, David, *Chairman*
Mr. LI Wai Keung
Prof. GONG Peng

Sustainability Committee

Mr. WANG Yuwen, *Chairman*
Mr. YAN Zhongyu
Prof. GONG Peng

Company Secretary

Mr. LEE Ka Sze, Carmelo

Auditor

Ernst & Young, *Certified Public Accountants*
Hong Kong
Registered Public Interest Entity Auditor

Registered Office

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Kowloon, Hong Kong

Share Listing

The Stock Exchange of Hong Kong Limited
(Stock code: 00604)

Share Registrar

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Website

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Chairman's Statement

In the first half of 2026, the domestic real estate market generally continued its bottoming-out trend. The supply-side in the industry continued to contract, with sales of new commercial housing, development investment, and new construction starts all recording double-digit year-on-year decline. On the demand side, market confidence and home-buying expectation remained generally weak. The real estate industry has now entered a development stage centred on property stock, with pronounced structural divergence in the market. First-tier and core second-tier cities demonstrated relatively strong resilience, while most third- and fourth-tier cities remained in a bottom-recovery phase. The overall operating environment for the industry remained challenging, with real estate enterprises generally facing considerable operational pressure. During the period, the Company firmly implemented the development initiatives outlined in the "15th Five-Year Plan", adhered to the direction of strategic transformation, vigorously safeguarded the bottom line of operational safety, coordinated the revitalisation of existing assets with the expansion of new operations, deepened the development of real-estate asset-management and operations business as the core segment, and witnessed the preliminary achievements in strategic transformation, with the Company's asset-liability structure keeping safe and manageable and the operation status remaining steady and orderly. As of 30 June 2026, the Company realised revenue of approximately HK$10.139 billion and gross profit of approximately HK$1.428 billion, with overall gross profit margin of approximately 14.08%. Due to unfavorable factors such as a decline in gross profit margin, impairment for real estate inventories and losses from associates and joint ventures, the operating loss was approximately HK$795 million, and the loss attributable to owners of the Company was approximately HK$1.986 billion, representing a year-on-year narrowing of 24.15%.

I. IMPLEMENTATION EFFECTIVENESS OF MAJOR TASKS FOR THE FIRST HALF OF THE YEAR

(I) Continuous Strengthening of Business Foundation through Orderly Advancement of Real-estate Development

Real-estate segment recorded stable sales. For the first half of the year, the Company achieved contracted sales of approximately RMB5.966 billion (equivalent to approximately HK$6.759 billion), with a contracted sales area of approximately 261,800 square meters, reaching approximately 52% of the annual sales target of HK$13 billion, with its overall progress meeting the annual operating expectations. Among these, Shum Yip Taifu Yin Ying Building completed a bulk transaction, demonstrating the value of the Company's core assets against a generally weak commercial office market; projects including Shenzhen Luxury Mansion, Natural City and Shanghai Shum Yip Jiading Mansion achieved phased sales breakthroughs as a result of adhering to the implementation of tailored strategies and precise marketing for different projects. During the period, a total of six projects completed construction acceptance registration, with an aggregate completed gross floor area of approximately 485,000 square meters, continuously consolidating market reputation and customer confidence through high quality and stable delivery. **Urban renewal progressed in an orderly manner.** Phase 2 of the First Renewal Unit in Chegongmiao in Shenzhen successfully obtained the construction project planning permit and progressed steadily according to the scheduled milestones, and equipped the largest single air-supported membrane system and intelligent monitoring system over a foundation pit in South China, addressing the challenge of construction disturbance in high-density urban areas with green and intelligent construction processes, thereby charting a practicable path for the transformation and upgrading of underperforming buildings in prime locations in Shenzhen and establishing itself as a benchmark project for renewal of legacy assets in the region.

(II) Accelerated Formation of the Second Growth Curve Leveraging the Proven Resilience of Asset Management Operations

The operation business serves as the cornerstone for the Company to resist the cyclical fluctuations in the industry. In the first half of the year, the scale and profitability of this business segment grew steadily, reinforcing its critical role in supporting the Company's overall performance. **Our commercial operations maintained a leading position.** UpperHills continued to sustain its market-leading position and delivered outstanding performance in office leasing, with an occupancy rate of premium enterprises consistently ranking among the top in the Shenzhen market, supported by the continuously enhanced clustering effect of high-end industrial tenants. Bay Front • UpperHills Water Street（灣中 • 上城水街）and the Magic World park in Zhongshan successfully opened, innovating a model of "commerce + theme parks" integrating culture, commerce and tourism and further expanding the Company's commercial presence in the Greater Bay Area. **The revitalisation of existing assets delivered notable results.** According to the principle of "revitalising in batches and releasing at favorable prices", the Company precisely advanced the gradual exit of legacy assets. During the period, the Company successfully completed the dealings of 7 office-related legacy assets, generating proceeds of approximately RMB120 million (equivalent to approximately HK$138 million), among which, the asset package of Diwang Tower（地王大廈）was disposed at a premium of approximately 40%, demonstrating a steady improvement in the efficiency of value realisation of legacy assets. **Our hotel operations delivered improved quality and garnered industry accolades.** The operating performance of the hotels under operation of the Company continued to recover and improve, and recorded an income of approximately HK$254 million for the first half of the year, representing an increase of 19.41% over the same period of last year. The gross operating profit of hotel operation business recorded a year-on-year increase of 43%, reflecting the steady recovery of profitability and the continuous improvement of operational efficiency of this segment. Among these, Mandarin Oriental Shenzhen was named to the 2026 "World's Best Awards" of Travel+Leisure, ranking 6th in "Best City Hotels in Asia", representing a further enhancement in brand influence and market premium of the Company's high-end hotels. **The property management business continued to expand.** As of the end of the Reporting Period, the Company recorded a managed area of approximately 106.91 million square meters, realised a revenue of approximately RMB1.447 billion (equivalent to HK$1.639 billion) for the first half of 2026, and recorded newly expanded area of approximately 9.263 million square meters. The Company successfully won the bid for the operation and maintenance service project of the new joint inspection building at Huanggang Port, the world's largest land port, while also expanding into key sectors including military supports and medical services, with newly added management area in public infrastructure segment accounting for over 90%. Leveraging its outstanding integrated urban operation and maintenance capabilities, the Company's operating subsidiary was ranked 13th in the "2026 Top 100 Property Service Enterprises in China", continuing to advance its industry ranking.

(III) Phased Results in Strategic Transformation through Successful Capital Operations

In the first half of the year, the Company took capital optimisation, structural reshaping and resource concentration as its core focus, efficiently implemented a series of key capital operation initiatives, driving the strategic transformation from the planning stage into a period of tangible results. **On the one hand,** the Company successfully completed the disposal of its equity interest in Jinghua Electronics to recover a sum of capital of approximately RMB274 million (equivalent to HK$315 million), realising the divestiture of non-core assets and effectively optimising its asset structure. **On the other hand,** the debt-to-equity swap plan of its subsidiary, Shum Yip Pengji, had been unanimously approved at the Annual General Meeting, and accordingly, the Company's controlling shareholders successfully converted the loans of approximately RMB2.604 billion (equivalent to approximately HK$2.998 billion) into equity interest, effectively reducing the Company's interest-bearing liabilities, substantially optimising its capital structure and financial fundamentals, and fully demonstrating the controlling shareholders' firm confidence in the Company's long-term development. Looking ahead, the Company will continue to promote the quality enhancement of its listed entities, optimise its asset and capital structure in response to changing circumstances, accelerate the value realisation of its strategic transformation, and build a healthier and more sustainable development model.

(IV) Further Solidifying the Basis for Steady Development with Ongoing Improvement of Governance System

In respect of financial management and control, the Company closely focused on the core objective of safeguarding financial security, coordinated financing management, and continued to improve its rolling forecast mechanism for cash flows. It further strengthened the internal control framework of its financial system and conducted a number of inspection and review activities on financial funds. It also accelerated the digital transformation of its finance function and expedited the establishment of a settlement centre and a treasury management system. As of 30 June 2026, the weighted average interest rate of the Company's bank and other borrowings was 3.17%, representing a decrease of 0.3 percentage points from 3.47% at the beginning of the year. The net gearing ratio (net debt excluding interest-bearing loans from related parties divided by equity attributable to owners of the Company) was 73.62%, representing a decrease of 9.06 percentage points from 82.68% at the beginning of the year. The asset-liability ratio, excluding advance receipts, was 65.42%, representing a decrease of 1.93 percentage points from 67.35% at the beginning of the year. **In respect of risk management and control,** the Company continued to improve its comprehensive risk management system. In accordance with the risk management requirement of "graded and classified, scientific assessment", it conducted regular rating and identification of major operational risks, specified the primary responsibility of each business segment for risk management, and refined the closed-loop process of pre-event risk assessment, in-event phased control, and post-event review and tracking, thereby establishing a whole-chain risk prevention and control mechanism. **In respect of compliance governance,** the Company continued to improve its systematic ESG governance structure, deeply embedded the concept of sustainability into the entire business chain of investment, development and operation, and steadily advanced special initiatives including green building certifications, energy-saving and low-carbon operations, and urban public service empowerment. During the period, the Company's MSCI-ESG rating was upgraded to AAA, fully reflecting the high recognition from capital markets and international rating agencies of the Company's compliance governance, green operations, social responsibility and long-term value development.

II. KEY DEVELOPMENT STRATEGIES FOR THE SECOND HALF OF THE YEAR

For the second half of 2026, the Company will firmly adhere to its strategic resolve, closely focus on four major operational priorities of "stabilising development, strengthening asset management, advancing transformation, and controlling risks", and continuously optimise its business structure, actively cultivate new growth drivers, making every effort to achieve its annual operating goals and promoting its strategic transformation to deliver substantive results.

(I) Stabilising development – relentlessly pursuing sales and de-stocking to safeguard cash flow safety

The Company will remain sharply focused on achieving its full-year real-estate contracted sales target of HK$13 billion, driving decisive sales execution. We will further refine our "one project, one strategy (一盤一策)" marketing approach, setting clear de-stocking targets, pricing policies, and payment collection milestones for each project. We will continue to execute on our initiative to expedite de-stocking and payment collection, reinforcing collection targets and enhancing liquidity coordination to safeguard the stability and controllability of our operating cash flows. The Company will accelerate the launch schedules of key projects by coordinating critical workstreams including construction progress, pre-sale approvals, and buyer cultivation to further enhance project turnover efficiency and overall operating performance. We will actively respond to the national policy direction of promoting high-quality residential development and deeply implement the concept of building "quality homes". Through the systematic refinement and implementation of the "Dual Excellence and Eight Good Practices" premium residential product framework, the Company will further strengthen its core product competitiveness, continuously enhance Shum Yip brand influence and market recognition.

(II) Strengthening asset management – elevating operational excellence to build sustainable growth drivers

In respect of commercial operations, we will continue to solidify the benchmark status of UpperHills, dynamically optimising its trade mix and curated tenant structure to maintain high occupancy rates and stable rental income, thereby reinforcing our core competitive advantage as a premier commercial hub in the region. We are advancing the operational ramp-up of the Bay Front • UpperHills Water Street（灣中 • 上城水街）and the Magic World theme park in Zhongshan in an orderly manner, accelerating the progress toward early steady-state operations and sound profitability. **In respect of asset revitalisation,** we will fully deepen targeted initiatives to revitalise underperforming and idle assets by rigorously implementing a "one asset, one strategy"（一資產一策略）mechanism to improve transaction conversion rates and realised asset values, thereby accelerating monetisation and capital recovery of existing assets. We will refine our long-term rental apartment operating system, brand matrix, and product standards, establishing this segment as an effective vehicle for asset revitalisation and stable yield generation. **In respect of urban integrated operations,** we will drive the transformation of property management business toward technology-enabled and platform-based models, actively expanding into integrated urban facilities management and diversified value-added services to further extend our industry leadership. We will advance the operational readiness of the new Huanggang Port to ensure a safe, orderly launch while developing a replicable and scalable standardised port operations system. We will deepen our smart city services footprint by expanding application scenarios of AI + urban operation, leveraging digital and intelligent enablement to drive both operational efficiency and service quality.

(III) Advancing transformation – optimising business structure to steadily shift growth drivers

In terms of resource expansion, we will accelerate the execution of urban renewal projects, driving forward the planning approvals for key initiatives such as Henggang South and Guangming Shangcun to secure critical prerequisites for project commencement. Adhering to a prudent and selective investment philosophy, we will conduct rigorous market analysis, customer segmentation, investment modeling, and product positioning, focusing on core cities to replenish high-quality land reserves at opportune moments. **In terms of asset management enhancement,** we will further expand our footprint in asset-light entrusted management for commercial and property operations, refining a holistic whole-chain closed-loop asset management system covering "investing – financing – developing – managing – exiting". We will proactively establish diversified exit channels and cultivate asset securitisation pathways such as REITs to lay the foundation for the revitalisation and circulation of existing assets. **In terms of organisational reform,** we will deepen the management system reform of "strengthen the headquarters and solidify second-tier subsidiaries", continuously optimising talent structures and incentive mechanisms to enhance synergy and resource sharing across business segments. We will pursue differentiated development strategies, guiding each business unit to leverage its unique strengths, clarify its market positioning, and solidify accountability. By establishing a closed-loop management cycle encompassing strategic decomposition, process oversight, and performance evaluation, we aim to fully activate organisational vitality and transformation momentum.

(IV) Controlling risks – safeguarding the bottom line of safety to ensure steady development

The Company will adhere a prudent operating philosophy, reinforcing the foundation for long-term, stable growth across multiple dimensions. **In terms of financial management,** we will maintain prudent and sound financial policies, preserve ample liquidity, and broaden diversified financing channels. We will accelerate the digitalisation of finance functions and deepen financial value management to continuously enhance financial flexibility and resilience against market cycles. **In terms of risk management and control,** we will refine a full-cycle risk management system, strengthening the closed-loop mechanism encompassing front-end prudent evaluation, mid-term penetrating oversight, and back-end dynamic assessment with corrective actions, thereby comprehensively enhancing our capability to mitigate risks across all business lines. In parallel, we will maintain close oversight of the operating performance of our investee companies and strictly discharge our disclosure obligations in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), continuously advancing the standardisation and transparency of company governance.

Riding the momentum, we forge ahead with determination. The Company will firmly anchor to our transformation towards "real estate asset management and urban integrated operation service". We will pursue pragmatic initiatives to drive operational excellence, leverage deep-seated reforms to empower growth, and uphold resilient operations to withstand market cycles. We are committed to diligently implementing our annual operating tasks, continuously enhancing our intrinsic enterprise value and capacity for long-term and sustainable development.

WANG Yuwen
Chairman

27 August 2026

Management Discussion and Analysis

I. Overall Results and Key Financial Indicators

In the first half of 2026, the Company realized revenue of approximately HK$10.139 billion, representing a year-on-year decrease of approximately 2.04%. Gross profit was approximately HK$1.428 billion, representing a year-on-year decrease of approximately 19.48%, with overall gross profit margin of approximately 14.08%. Due to unfavorable factors such as a decline in gross profit margin, impairment for real estate inventories and losses from associates and joint ventures, the operating loss was HK$795 million, and the loss attributable to owners of the Company was approximately HK$1.986 billion, representing a year-on-year narrowing of approximately 24.15%.

During the reporting period, the Company's overall operating performance was primarily affected by the cyclical adjustment of the real estate development industry. First, against the backdrop of the continued and profound adjustment in the real estate market, industry demand and market conditions came under considerable pressure. The booked area of the Company's real estate development business contracted accordingly, resulting in year-on-year decreases in both revenue and gross profit margin. Second, in response to the continued downturn in the real estate market and adhering to the principles of prudent operations and proactive risk management, the Company conducted a comprehensive assessment of the net realizable value of its inventories during the reporting period and made provisions for inventory impairment totaling approximately HK$1.122 billion. Third, affected by industry headwinds and project operating performance, certain associates and joint ventures recorded operating losses during the period, which had an aggregate impact of approximately HK$223 million on the Company's results for the period. Although the above issues placed temporary pressure on the Company's profitability during the reporting period, they effectively addressed potential risks associated with existing assets, further strengthened the Company's overall asset quality, optimized its asset structure, and laid a solid foundation for the Company to move forward with a stronger balance sheet and achieve sustainable development. While the traditional property development business remained under pressure, the Company's real-estate asset management and urban integrated operations businesses maintained steady growth and enhanced quality despite challenging market conditions. The overall revenue increased year-on-year, becoming an important and stable pillar supporting the Company's business fundamentals.

Looking ahead, the Company will continue to advance in a steadfast manner the development initiatives outlined in the "15th Five-Year Plan", committed to transforming into a real estate asset management and urban integrated operation service provider. By leveraging the steady growth of operating business to hedge against the cyclical fluctuations of the traditional property development business, we will steadily optimize our revenue and profit structure and restore the Company's overall operating performance to a path of stable growth.

Breakdown of Revenue and Gross Profit Margin from Various Business Segments for the First Half of 2026

Business category	Segmented business	Amount of revenue (HK$100 million)	Year on-year changes	Gross profit margin
Real-estate development	Property sales	68.61	-8.08%	11.40%
Real-estate asset-management	Property investment	6.37	-1.65%	61.68%
	Hotel operation	2.54	19.41%	15.55%
Urban integrated operations	Property, commercial management	16.39	2.86%	14.26%
Others		7.48	73.13 %	-2.72 %
Total		101.39	-2.04%	14.08%

II. Progress of Principal Businesses

(I) Real Estate Development Business

1. Contracted Sales

In the first half of 2026, the Company achieved contracted sales of approximately RMB5.966 billion (equivalent to approximately HK$6.759 billion), representing a year-on-year decrease of approximately 8.54%. Contracted sales area was approximately 261,800 square meters, representing a year-on-year decrease of 12.73%. By geographical location, projects located in the Greater Bay Area accounted for 70% of contracted sales, while projects in the Yangtze River Delta region accounted for 18%, and projects in other 2nd-tier provincial capital cities accounted for 12%. By the types of products, residential products accounted for 71% of contracted sales, while non-residential products (including office, apartment and industrial park) accounted for 29%. During the period, the Company actively seized the policy tailwinds and market opportunities in the industry, focused on key projects available for sale, continuously strengthened marketing and promotion initiatives, and accelerated the destocking of existing inventories, with overall sales performance demonstrated resilience. Shum Yip Taifu Yinying Building completed a bulk transaction of approximately RMB1.249 billion, ranking second in terms of office property sales area in Shenzhen for the first half of 2026. Projects including Shenzhen Luxury Mansion, Natural City and Shanghai Shum Yip Jiading Mansion achieved steady sales progress, effectively supporting the stable release of contracted sales during the period.

Breakdown of Contracted Sales in the First Half of 2026 Note

Region	City	Type	Sales Area (sq.m.)	Sales (HK$'000)
Greater Bay Area	Shenzhen	Residential, apartment, office, industrial R&D	104,929	4,038,721
	Guangzhou	Residential, parking space	13,006	323,028
	Huizhou	Residential, commercial, parking space	28,830	205,557
	Zhongshan	Residential, commercial, office, parking space	11,469	158,121
	Foshan	Residential, parking space	394	3,084
	Heyuan	Parking space	1	59
Subtotal			158,629	4,728,571
Yangtze River Delta	Shanghai	Residential, parking space	17,938	568,071
	Nanjing	Residential	16,362	561,592
	Taizhou	Residential, commercial	5,869	54,682
	Wuxi	Industrial R&D,	3,403	17,313
	Ma'anshan	Commercial, parking space	2,876	14,072
	Chaohu	Residential	143	2,096
Subtotal			46,591	1,217,827
Other 2nd-tier provincial capital cities	Chengdu	Residential, parking space	36,893	540,440
	Wuhan	Residential	19,165	263,992
	Changsha	Residential, commercial, parking space	526	8,258
Subtotal			56,584	812,691
Total			261,804	6,759,088

Note: As all the contracted sales took place in Chinese mainland, which are expressed in Renminbi and calculated at the average exchange rate for the six months ended 30 June 2026 based on the central parity rate of RMB against HK$ published by the People's Bank of China.

2. Development Revenue Booked

In the first half of 2026, the Company recorded property sales revenue booked of approximately RMB6.055 billion (equivalent to approximately HK$6.861 billion) (net of value-added tax), representing a decrease of approximately 8.08% over the same period of last year, with the sales area booked of approximately 230,500 square meters (excluding interests attributable to the major associates), representing a decrease of approximately 21.21% over the same period of last year. The gross profit margin of property development sales was 11.40%, representing a decrease of 2.43 percentage points over the same period of last year.

Breakdown of Sales Booked in the First Half of 2026 Note

Region	City	Type	Booked Area (sq.m.)	Revenue booked (HK$'000)
Greater Bay Area	Shenzhen	Residential, apartment, industrial R&D	109,910	4,648,474
	Zhongshan	Residential, office, commercial	11,463	479,665
	Guangzhou	Residential	11,713	286,291
	Huizhou	Residential, commercial	30,275	220,787
	Foshan	Residential, commercial	508	5,081
Subtotal			163,869	5,640,298
Yangtze River Delta	Nanjing	Residential	11,067	336,667
	Shanghai	Residential	4,370	161,974
	Wuxi	Plant	4,026	19,517
	Ma'anshan	Commercial	406	3,615
	Taizhou	Residential	141	1,389
Subtotal			20,010	523,162
Other 2nd-tier provincial capital cities	Chengdu	Residential, commercial	40,374	580,205
	Wuhan	Residential, commercial	5,671	64,416
	Changsha	Residential, commercial	526	7,291
Subtotal			46,571	651,912
Others		Parking space	–	45,391
Total			230,450	6,860,763

Note: A total of 682 parking spaces were sold.

3. Project Development and Construction

In the first half of 2026, the Company's overall project development and construction progressed steadily. A total of six projects completed construction acceptance registration, with an aggregate completed gross floor area of approximately 485,000 square meters. During the period, Phase 2 of the First Renewal Unit in Chegongmiao in Shenzhen obtained the construction project planning permit. Given the project's proximity to surrounding residential communities and the complexity of construction conditions, the Company adopted innovative construction solutions, including an air-supported membrane system and intelligent monitoring systems over a foundation pit, effectively reduced construction noise and dust emissions, providing practical experience for green construction in high-density urban renewal projects.

In terms of project construction and delivery, Talent Mansion was successfully delivered, with the handover rate reaching 95% as at 30 June 2026. Phase 2 of Luxury Mansion completed construction acceptance registration, while ongoing projects including Upper Scholar and Shanghai Shenjia Hydrogen Valley continued to progress in an orderly manner as scheduled.

Newly Completed Projects in the First Half of 2026

Project	**City**	**Type**	**Newly Completed Area** (sq.m.'000)
Talent Mansion	Shenzhen	Residential	216.1
Phase 2 of Luxury Mansion	Shenzhen	Residential	56.2
Zhongshan G29 Phase 2	Zhongshan	Residential	67.3
Bay Front Project F25 Yuewan Mansion 1 & 2#	Zhongshan	Residential	38.0
Bay Front Project F25 Yuewan Mansion 3# & Basement	Zhongshan	Residential	42.0
Phase 2 of Bay Front Project (F36, 38 Water Street Commercial) Clubhouse	Zhongshan	Commercial services	65.0
Total			485

4. Provision for Impairment of Inventories

In the first half of 2026, affected by continued adjustments in the real estate market environment and sustained pressure on market prices, the Company adhered to the principle of prudent operation, proactively addressed potential risks, and strengthened asset quality by making provision for impairment of inventories. This initiative enables the Company to reflect the value of its assets in a more objective and truthful manner, optimize its financial structure, and further enhance financial resilience and risk management capabilities. During the period, the Company made impairment provisions on inventory of approximately HK$1.122 billion. The major projects affected by impairment provisions included Yinying Building, Shum Yip Cloud Center, Shum Yip Scenery Bay, Shum Yip Cloud Mansion and Shum Yip Taiyue Mansion.

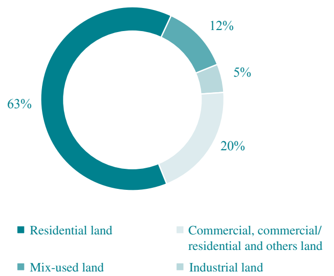
5. Real Estate Investment and Reserves

As at 30 June 2026, the Company had land reserves with a capacity building area of approximately 5,124,000 square meters. The structure of the land reserve remained reasonable and healthy, with land reserve in the Greater Bay Area, the Yangtze River Delta region and the 2nd-tier provincial capital cities and others accounting for approximately 68.3%, approximately 12.3% and approximately 19.4%, respectively. The proportion of high-quality land reserves in core regions remained stable, providing solid support for the Company's medium- and long-term sustainable development. During the period, the Company steadily advanced the implementation and transformation of interest coordination projects in Shenzhen. The planning proposal for the Henggang South Project successfully completed the relevant review procedures, further clarifying the project's development conditions. The Guangming Shangcun Project successfully entered into a supplementary preliminary service agreement, effectively strengthening the foundation for project cooperation and creating favorable conditions for future development, revitalization and implementation.

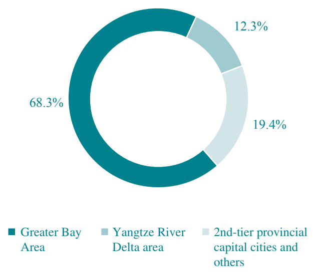
Management Discussion and Analysis

Distribution of Land Reserves (As of 30 June 2026)

By type – Capacity Building Area Note (sq.m.)



By region – Capacity Building Area Note (sq.m.)



Note: Capacity building area is the sum of the gross floor area which is used in the calculation of the plot ratio within the land for construction.

(II) Management of Real Estate Assets

The Company's management of real estate assets business focuses on the holding, operation, renovation, upgrading and inventory revitalisation of the Company's self-owned investment properties and hotel assets, continuously exploring the value of existing assets to deliver stable operating income and long-term asset appreciation.

As of 30 June 2026, the Company had a total investment property area of approximately 1,880,800 square meters, with a fair value of approximately HK$36.908 billion. During the period, the Company recorded an income from property investment of approximately HK$637 million, representing a year-on-year decrease of approximately 1.65%. The gross profit margin of property investment business was approximately 61.68%. Facing a complex and volatile macro environment and intensifying industry competition, the Company further advanced its refined operation management system, adopting multiple initiatives to strengthen tenant sourcing around diverse property types such as office buildings, industrial parks, integrated commercial complexes and specialised markets, and to steadily improve its asset operation efficiency. During the period, the overall occupancy rate of the Company's properties outperformed the average market level in the industry.

1. Optimisation and Revitalisation for Investment Properties

The flagship UpperHills Office Tower has fully introduced the service standards under the Golden Key International Alliance, deepening its dual-drive model of "hardware + service". Concurrently, it has innovatively introduced a "zero-cost" fine decoration delivery customization solution, persistently balancing lease renewals with new tenant acquisition. During the period, it bucked the trend by securing new rental areas of nearly 3,600 square meters. Currently, UpperHills Office Tower has totally attracted 14 Fortune Global 500 enterprises, with an occupancy rate of premium enterprises consistently ranking among the top in the market. The benchmark effect and counter-cyclical resilience of this core asset continue to stand out prominently. Projects including the Bay Front • UpperHills Water Street (灣中 • 上城水街) and the Magic World park in Zhongshan both successfully opened in June, innovating a model of "commerce + theme parks" integrating culture, commerce and tourism. The projects involve an indoor global IP-themed complex of 20,000 square meters with globally known IPs such as Barbie and Transformers, and has introduced 2 debut stores in Chinese mainland and over 10 debut stores in Zhongshan City, achieving the standardised cross-city rollout of the Company's commercial product line.

The Company continued to advance the quality improvement and efficiency enhancement of its existing assets, and successfully converted its 48 underperforming properties at Bagualing into "Shum Yip Neighborhood" (深業鄰里) long-term rental apartments, a government-subsidised rental apartment project, achieving an increase of 179% in monthly rent as compared with the pre-renovation level, and was recognised as an exemplary case of asset revitalisation among Shenzhen municipal state-owned enterprises. The Company accelerated the disposal of its scattered assets, implemented the "one asset, one strategy" (一資產一策略) mechanism, precisely advancing the gradual exit of existing assets. During the period, the Company successfully completed the dealings of 7 office-related existing assets, generating proceeds of approximately RMB120 million (equivalent to approximately HK$138 million), among which, the asset package of Diwang Tower (地王大廈) was transacted at a premium of approximately 40% after 117 rounds of bidding, achieving a virtuous cycle of asset value realisation and capital recovery.

2. Steady Progress amid Stability for Hotel Operations

In the first half of 2026, the Company recorded an income from hotel operation business (included under other operating segments) of approximately HK$254 million, representing an increase of 19.41% over the same period of last year. The gross profit margin of hotel operation business was approximately 15.55%, representing a year-on-year increase of 6.03 percentage points. As of 30 June 2026, the Company had a total of 12 hotels under operation and construction, of which, 6 hotels were already open for business, and 6 hotels were under construction. During the period, the hotel business demonstrated robust resilience and recovery momentum through precise market positioning and flexible operating strategies. 6 hotels under operation recorded a year-on-year increase of 43% in the gross operating profit and a gross operating profit margin of approximately 30%, representing a year-on-year increase of 6 percentage points, together with a year-on-year increase of 13% in the revenue per available room. The overall operating performance significantly outperformed the industry average.

The Company's flagship premium luxury project delivered outstanding performance, among which, Mandarin Oriental Shenzhen received awards including the One-Diamond rating of the Black Pearl and a place in Asia's 50 Best Bars, and recorded a year-on-year increase of 37.7% in catering revenue, which drove a year-on-year increase of 20% in the total revenue of the hotel. This hotel was also named to the 2026 "World's Best Awards" of Travel+Leisure, ranking 34th in the "World's 100 Best Hotels" and 6th in "Best City Hotels in Asia", making it the highest-ranked hotel in Chinese mainland. Character and boutique hotels maintained stable operations, with Shenzhen MUJI Hotel achieving an average occupancy rate of 89% and a gross operating profit margin of 55%, reaching record highs since its opening; Shenzhen Jingju Hotel precisely met family guest needs, with a year-on-year increase of 6% and 10% in occupancy rate and revenue, respectively. Meanwhile, the Company continued to optimise its membership management and revenue control systems, further strengthening the professional and refined operational capabilities of its hotel business.

Hotels in Operation

Hotel Name	Guest Room	Operation Mode
Mandarin Oriental Shenzhen	178 guest rooms	Held for operation
Shenzhen MUJI Hotel	79 guest rooms	Held for operation
Jingju Hotel in Shenzhen Women and Children Tower	194 guest rooms	Held for operation
Holiday Inn Resort Chaohu Hot Spring	203 guest rooms	Held for operation
Chaohu Royal Spring Garden Hot Spring Hotel	20 villas and 7 onsen suites	Held for operation
Suzhou Marriott Hotel	300 guest rooms	Held for operation

Hotels under Construction

Hotel Name	Guest Room	Project Phase
Shenzhen Marriott Luxury Collection Hotel (深圳萬豪豪華精選酒店)	173 guest rooms	Under construction
Shenzhen Marriott AC Hotel (深圳萬豪AC酒店)	207 guest rooms	Under construction
Zhongshan InterContinental Hotel (中山洲際酒店)	135 guest rooms	Under construction
Zhongshan EVEN Hotel (中山逸衡酒店)	225 guest rooms	Under construction
Somerset Chengdu (成都盛捷服務式公寓)	152 guest rooms	Under construction
Citadines Chengdu (成都馨樂庭服務式公寓)	228 guest rooms	Under construction

(III) Urban Integrated Operations Business

The urban integrated operations business of the Company primarily includes property services and commercial operation services. The Company continuously expands the business scale and delivers standardised operation services under an asset-light model. The property services cover a diverse range of scenarios including residential properties, public facilities, urban public services and industrial parks, providing full-cycle property management and urban integrated operation services to customers; while the commercial operation services focus on the professional operation management of commercial assets, with its business scope covering shopping centres, community commercial properties and other property types, it comprehensively carries out tenant sourcing, daily operations and refined management. In the first half of 2026, the urban integrated operations business of the Company recorded a revenue of approximately HK$1,639 million, representing an increase of 2.86% over the same period of last year, with a gross profit margin of approximately 14.26%, maintaining a steady growth overall.

1. Property Operations and Expansion

As of 30 June 2026, the Company's property operations subsidiaries recorded a managed area of approximately 106.91 million square meters, with independent third-party projects accounting for approximately 79.9%, and non-residential formats accounting for approximately 69.63%, both indicators exceeding industry averages. During the period, the Company recorded newly expanded area under management of approximately 9.263 million square meters, with a total contract value of RMB690 million (equivalent to HK$780 million), demonstrating robust and steady market-oriented expansion capabilities. At the same time, the Company continuously put efforts in the expansion of diversified property types, achieving ongoing business progress in property-managed cities, public infrastructure properties and other key areas.

In the field of public infrastructure services, the Company successfully won the bid for the operation and maintenance service project of the new joint inspection building at Huanggang Port, the world's largest land port, and newly acquired the service project for the Shenzhen Institute of Advanced Light Source Facilities and the Institute of Advanced Technology, as well as the railway joint defence and patrol project for the Shenzhen Railway Public Security Division. **In the field of urban services**, the Company successfully acquired projects including the integrated sanitation and greening service project for Dongpu Subdistrict, Yuancheng District, Heyuan City, and the comprehensive inspection project for Fubao Subdistrict. **In the field of enterprise clients**, the Company successfully acquired projects including the Weifang Project of China Mobile (Shandong) 2026-2028 Provincial Property Service Procurement and Liupanshui Property Service Project of China Mobile (Guizhou), demonstrating the evolution of its service capabilities from basic property services for residential and office properties to comprehensive management and maintenance of major public infrastructure. During the period, the property operations subsidiaries continuously enhanced their comprehensive strength and brand recognition in the industry, successively receiving a number of authoritative industry honours, including the 13th ranking among the "2026 Top 100 Property Service Enterprises in China" by China Index Academy, the 13th ranking in the "2026 Property Management Enterprises of Comprehensive Strength in China" by CRIC and other significant accolades, fully demonstrating the Company's robust operational strength and leading industry position.

Management Discussion and Analysis

2. Commercial Operations and Expansion

In the first half of 2026, the flagship project, UpperHills, maintained its leading position, adding 21 debut stores and successfully introducing international affordable luxury brands including Coach, marking a breakthrough in accessible luxury brands recruitment. The project's sales per unit area increased by 10% year-on-year, and newly registered members grew by 46% year-on-year. Shenzhen's first downtown duty-free store ranked first in sales among the eight stores nationwide. During the period, the Company's marketing activities achieved various highlights. Leveraging the Guangdong-Hong Kong-Macao Greater Bay Area Flower Show, the mall footfall exceeded 2.117 million visits at the shopping mall during the 11-day exhibition and the sales amounted to approximately RMB190 million, representing a year-on-year increase of 12%. The introduction of high-profile events such as the Spartan Race generated significant footfall. Seizing the opportunity of the APEC meeting, the Company accelerated the enhancement of its international consumption environment, taking the lead in achieving over 250 merchants being available to foreign card payments, 108 catering merchants being equipped with bilingual menus, and 40 retail merchants being available to offer departure tax refund services, and accordingly, the project had won industry accolades including the CSVB 2025 Gold Award for Urban District Commercial Benchmark. Other operating projects also performed well, supported by the introduction of the first flagship store of "Gree Dong Mingzhu Healthy Home" in Shenzhen at Shum Yip Taifu Square, as well as the improvement in footfall and occupancy rate of community commercial projects such as Sky Park, Tanglang City and Shum Yip Dongling.

The scale of the Company's asset-light management had steadily expanded. Shum Yip Commercial Management, a subsidiary of the Company, successively provided management services for a number of external projects, including the Huangmugang Metro Hub commercial project, Shenzhen Capital Plaza, the commercial project at the Global Headquarters Complex of China Merchants Bank, and "ShumYip Shiji"（深業拾集）at Huafu Village, the opening preparations, investment recruitment and operation of which are currently progressing in an orderly manner. Additionally, the Company newly secured the Hetao Center commercial project, which is adjacent to the new Huanggang Port, planning to create the integrated commercial new scenario between Shenzhen and Hong Kong of "commerce + park + port". The Company's commercial operation footprint continued to expand.

III. Capital Operations

In the first half of 2026, the Company has carried out a series of capital operations to progressively reduce the proportion of its property development business, continuously optimise capital structure, improve overall financial quality and further consolidate the foundation for its prudent business operations. First, the Company disposed of its 70% equity interest in Jinghua Electronics to Shahe Industrial at a cash consideration of approximately RMB274 million (equivalent to approximately HK$315 million). Through the divestment of non-core assets, the Company has effectively consolidated and focused its corporate resources to support the development of its core business, with the cash proceeds mainly used to supplement the working capital for its daily operations. Second, Shum Yip Group, the controlling shareholder of the Company, converted its loan of approximately RMB2,604 million (equivalent to approximately HK$2,998 million) to Shum Yip Pengji, a subsidiary of the Company, into equity interests by way of capital increase. This debt-to-equity swap has effectively reduced the Company's interest-bearing debt scale and lowered finance costs such as interest expenses, while also reducing the scale and business proportion of the Company's property development assets in non-core regions such as Huizhou and Taizhou, thereby optimising the Company's asset and debt structure and enhancing its operational resilience and risk resistance capacity, without any impact on the consolidated profit or loss of the Company.

Looking ahead, the Company will continue to enhance quality as a listed company, and will, based on its own operational realities and the changing environment, persist in conducting quality enhancement studies covering areas such as capital and asset structure optimisation and key business refocusing. Besides, the Company will review the feasibility of quality enhancement implementation on an ongoing basis and pursue relevant measures as opportunities arise, with the aim of enhancing asset quality, operational efficiency and shareholder returns.

IV. Financial Management

(I) Finance and Capital

The Group's funding and treasury management objectives are to safeguard its funds and maintain adequate liquidity. The Group manages its treasury activities through coordinated financing arrangements, rolling cash flow forecasts and internal controls over funds.

Management Discussion and Analysis

The Company optimized its capital and debt structure and continued to improve its financial condition through various means. As of 30 June 2026, the equity attributable to owners of the Company amounted to HK$36,321 million (31 December 2025: HK$35,641 million). The cash balance was HK$12,064 million (31 December 2025: HK$8,304 million), representing an increase of 45.28% from the beginning of the year. The asset-liability ratio, excluding advance receipts, decreased by 1.93 percentage points from the beginning of the year to 65.42%. The net gearing ratio (net debt excluding interest-bearing loans from related parties divided by equity attributable to owners of the Company) was 73.62%, representing a decrease of 9.06 percentage points from the beginning of the year.

Following the decline in the floating interest rate of Hong Kong dollar, the weighted average interest rate of the Company's bank and other borrowings decreased by 0.3 percentage points from 3.47% per annum for the year ended 31 December 2025 to 3.17% per annum for the six months ended 30 June 2026.

In the first half of 2026, the Company successfully arranged the replacement of a syndicated loan of HK$3.2 billion to secure funding. As of 30 June 2026, the Company's total bank and other borrowings amounted to HK$38.803 billion (31 December 2025: HK$37.770 billion). Floating rate borrowings and fixed-rate borrowings accounted for 66.02% and 33.98%, respectively; long-term borrowings and short-term borrowings accounted for 66.78% and 33.22%, respectively; borrowings denominated in Hong Kong dollars and Renminbi accounted for 35.14% and 64.86%, respectively. As of 30 June 2026, the Company's cash and cash equivalents were mainly denominated in Renminbi and Hong Kong dollars.

Details of the contractual maturity analysis of the Company's bank and other borrowings are set out in note 4.1(a) to the interim condensed consolidated financial information in this interim report. During the six months ended 30 June 2026, the Company's borrowing requirements were mainly driven by project development schedules and working capital needs and were not subject to significant seasonal fluctuations.

Key Financial Indicators

Indicators	**As of 30 June 2026 (HK$100 million)**	As of 31 December 2025 (HK$100 million)
Bank and other borrowings	**388.03**	377.70
– Long-term borrowings	**259.14**	260.29
– Short-term borrowings	**128.89**	117.41
Cash	**120.64**	83.04
Net gearing ratio	**73.62%**	82.68%

(II) Effect of Exchange Rate Fluctuation

The Company's assets are mainly denominated in Renminbi, while Hong Kong dollar is adopted as the reporting currency in the Company's financial statements. During the period, the effect of the decrease in exchange rate of Hong Kong dollar against Renminbi on the Company's finance was mainly reflected in the appreciation of the asset and earnings denominated in Renminbi against Hong Kong dollar, the reporting currency. During the period, such fluctuations in the asset and earnings denominated in Renminbi against Hong Kong dollar, the reporting currency, of HK$2,339 million were included in other comprehensive income.

During the six months ended 30 June 2026, the Company did not use any financial instruments for hedging purposes, nor did it hedge its foreign currency net investments through currency borrowings or other hedging instruments.

V. Performance of Major Associates and Joint Ventures

In the first half of 2026, due to the impact of the real estate industry downturn, the overall performance of the Company's major associates and joint ventures was weak. The losses of joint ventures and associates led to a reduction of the Company's net profit with a total amount of approximately HK$223 million, primarily comprising the loss of approximately HK$33 million contributed by Shenzhen Tianan Cyber Park (Group) Co., Ltd. (a 37.5% owned company of the Company), the loss of approximately HK$40 million contributed by Shum King Company Limited (a 50% owned company of the Company), and the loss of approximately HK$133 million contributed by Road King Infrastructure Limited (1098.HK) (a 27% owned company of the Company). As of 30 June 2026, the remaining carrying amount of the Company's interest in Road King Infrastructure amounted to HK$nil, and therefore, any further loss incurred by Road King Infrastructure will not have an impact on the Company's performance.

VI. Others

(I) Pledge of Assets and Provision for Contingent Liabilities

As of 30 June 2026, the Company had total loans of HK$9.17 billion (31 December 2025: HK$8.69 billion) that were pledged with assets.

As of 30 June 2026, the Company has given guarantees amounted to HK$9.661 billion (31 December 2025: HK$14.072 billion) in aggregate in respect of bank and other borrowings.

Details of the Group's financial guarantees and contingencies as of 30 June 2026 are set out in notes 25 and 27, respectively, to the interim condensed consolidated financial information in this interim report. For an update on the relevant litigation, please also refer to the section headed "Progress of the Litigation Involving Shum Yip Terra Company" below.

(II) Progress of the Litigation Involving Shum Yip Terra Company

On 29 November 2024, Chengdu Fengze Investment Co., Ltd (成都豐澤投資有限公司) ("Chengdu Fengze") and Shum Yip Terra (Holdings) Company Limited (深業泰然(集團)股份有限公司) ("Shum Yip Terra", together with Chengdu Fengze, the "Subsidiaries"), both being non-wholly-owned subsidiaries of the Company, received a statement of claim (民事起訴狀) from the Intermediate People's Court of Chengdu City (成都市中級人民法院) regarding the claims by Sichuan Haofu Industrial Co., Ltd. (四川浩福實業有限公司) (the "Claimant") against the Subsidiaries and four individuals (none of the individuals is a Director or senior management of the Company) regarding the disputes in earnings distribution over the investment of "198" Congshu Area ("198" 叢樹片區) in Chenghua district, Chengdu, the People's Republic of China (the "Litigation"), with an amount of the claim of approximately RMB220 million. The Subsidiaries have engaged legal advisers to handle the Litigation, and will rigorously defend the Litigation to protect their legitimate interests. The first trial of the case commenced on 24 December 2024 and no ruling has been issued to date. The Company will actively follow up and assess the financial impact of the Litigation on the Company.

(III) Employees and Remuneration Policy

As of 30 June 2026, the Company employed a total of 18,265 (30 June 2025: 20,261) employees, of whom 14 were stationed in Hong Kong (mainly managerial and finance related personnel), and the rest were in Chinese mainland. The total remuneration for the six months ended 30 June 2026 (excluding remuneration of the Directors and senior management) amounted to approximately RMB1.131 billion (six months from 1 January to 30 June 2025: approximately RMB1.228 billion).

The remuneration and bonuses of the Company's employees are determined based on their performance, the Company's profit condition, remuneration level of the industry and the current market condition. The remuneration packages are reviewed on an annual basis to ensure internal equity and its competitiveness in the market. The Company provides training programs to its employees from time to time, including but not limited to new hire training aimed at enhancing their skills and knowledge.

(IV) Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as disclosed in this interim report, the Company did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026.

(V) Significant Investments

As of 30 June 2026, there were no significant investments held by the Company (including any investment in an investee company with a value of 5% or more of the Group's total assets as of 30 June 2026).

(VI) Capital Commitments and Future Plans for Material Investments

Details of the Company's capital commitments as at 30 June 2026 are set out in note 24 to the interim condensed consolidated financial information in this interim report. The Company expects to fund these capital commitments through internal resources and/or bank borrowings. Save as disclosed in this interim report, the Company had no other future plans for material investments or capital assets as at the date of this interim report.

Independent Review Report

To the board of directors of Shenzhen Investment Limited
(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 32 to 81, which comprises the condensed consolidated statement of financial position of Shenzhen Investment Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

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

Conclusion

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

Ernst & Young
Certified Public Accountants
Hong Kong
27 August 2026

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2026

		Unaudited Six months ended 30 June	
		2026	2025
	Notes	**HK$'000**	HK$'000
Revenue	6	**10,139,138**	10,349,995
Cost of sales and services	7	**(8,711,384)**	(8,576,728)
Gross profit		**1,427,754**	1,773,267
Selling and distribution expenses	7	**(342,696)**	(242,900)
Administrative expenses	7	**(513,748)**	(491,482)
(Decrease)/increase in fair value of financial assets at fair value through profit or loss		**(5,903)**	1,118
Losses resulted from changes in fair value of and transfer to investment properties	14	**(222,653)**	(99,669)
Net impairment losses on financial assets		**(11,864)**	(10,364)
Other expenses	7	**(1,266,049)**	(336,844)
Other income	8	**64,266**	108,875
Other gains	9	**76,239**	2,386
Operating (loss)/profit		**(794,654)**	704,387
Finance income	10	**22,485**	43,437
Finance costs	10	**(727,956)**	(731,125)
Finance costs-net	10	**(705,471)**	(687,688)
Share of results of joint ventures and associates		**(222,913)**	(666,569)
Impairment losses on investment in an associate		**–**	(1,257,004)
Loss before income tax		**(1,723,038)**	(1,906,874)
Income tax expenses	11	**(212,961)**	(600,459)
Loss for the interim period		**(1,935,999)**	(2,507,333)
Loss for the interim period attributable to:			
– Owners of the Company		**(1,985,855)**	(2,618,042)
– Non-controlling interests		**49,856**	110,709
		(1,935,999)	(2,507,333)
Losses per share for loss attributable to the owners of the Company (expressed in HK cents per share)			
– Basic and diluted	12	**(22.32)**	(29.42)

The above interim condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

	Unaudited Six months ended 30 June 2026 HK$'000	 2025 HK$'000
Loss for the interim period	**(1,935,999)**	(2,507,333)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
– Share of changes of other comprehensive income of an associate	**–**	1,238
– Surplus on revaluation of investment property transferred from property, plant and equipment	**3,776**	–
– Exchange differences on translation of foreign operations	**2,339,184**	936,496
Other comprehensive income for the interim period, net of tax	**2,342,960**	937,734
Total comprehensive income for the interim period	**406,961**	(1,569,599)
Total comprehensive income attributable to:		
– Owners of the Company	**9,198**	(1,786,071)
– Non-controlling interests	**397,763**	216,472
	406,961	(1,569,599)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Note	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	**7,884,988**	8,450,440
Investment properties	14	**36,907,915**	34,814,088
Investments in joint ventures	16	**8,236,493**	8,205,132
Investments in associates		**182,790**	306,958
Intangible assets		**798,824**	844,236
Financial assets at fair value through profit or loss		**140,085**	140,253
Financial assets at fair value through other comprehensive income		**2,326**	2,237
Trade and other receivables	17	**821,327**	1,159,323
Deferred income tax assets		**2,101,951**	2,721,021
		57,076,699	56,643,688
Current assets			
Properties under development	18	**28,795,117**	32,324,877
Completed properties held for sale	19	**35,890,749**	35,780,907
Inventories		**144,795**	257,823
Trade and other receivables	17	**11,615,814**	10,950,414
Financial assets at fair value through profit or loss		**546**	333,352
Biological assets		**5,739**	5,175
Restricted cash and bank deposits	20	**3,254,734**	3,491,260
Cash and cash equivalents	20	**8,808,791**	4,812,533
		88,516,285	87,956,341
Total assets		**145,592,984**	144,600,029

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Note	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
EQUITY			
Equity attributable to owners of the Company			
Share capital	21	**22,071,756**	22,071,756
Capital reserve	21	**730,539**	59,019
Other reserves	21	**4,478,180**	2,483,127
Retained earnings		**9,040,788**	11,026,643
		36,321,263	35,640,545
Non-controlling interests		**10,411,766**	7,797,337
Total equity		**46,733,029**	43,437,882
LIABILITIES			
Non-current liabilities			
Bank and other borrowings	22	**25,913,651**	26,028,825
Lease liabilities	15	**180,359**	198,056
Deferred income		**11,740**	17,505
Due to the ultimate holding company	26	**4,791,009**	2,775,145
Deferred income tax liabilities		**7,277,971**	7,090,558
		38,174,730	36,110,089
Current liabilities			
Bank and other borrowings	22	**12,889,208**	11,741,217
Contract liabilities		**10,434,003**	11,549,831
Trade and other payables	23	**14,089,267**	17,460,886
Lease liabilities	15	**61,035**	82,453
Due to the immediate holding company	26	**4,395,962**	4,174,740
Due to the ultimate holding company	26	**12,948,666**	11,295,793
Tax payable		**5,867,084**	8,747,138
		60,685,225	65,052,058
Total liabilities		**98,859,955**	101,162,147
Total equity and liabilities		**145,592,984**	144,600,029

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

The interim condensed consolidated financial information on pages 32 to 81 was approved by the Board of Directors on 27 August 2026 and was signed on its behalf.

Mr. WANG Yuwen
Director

Dr. XIANG Dong
Director

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Unaudited						
	Attributable to the owners of the Company					Non-controlling interests	Total equity
	Share capital HK$'000	Capital reserve HK$'000	Other reserves HK$'000	Retained earnings HK$'000	Total HK$'000	HK$'000	HK$'000
Balance at 1 January 2026	22,071,756	59,019	2,483,127	11,026,643	35,640,545	7,797,337	43,437,882
Comprehensive income for the six months ended 30 June 2026							
Loss for the interim period	–	–	–	(1,985,855)	(1,985,855)	49,856	(1,935,999)
Other comprehensive income:							
Exchange differences on translation of foreign operations	–	–	1,991,277	–	1,991,277	347,907	2,339,184
Recognition of change in other comprehensive income transfer to investment properties (note 14)	–	–	3,776	–	3,776	–	3,776
Total comprehensive income for the interim period	–	–	1,995,053	(1,985,855)	9,198	397,763	406,961
Transactions with owners in their capacity as owners							
Disposal of a subsidiary	–	–	–	–	–	(106,800)	(106,800)
Capital increase and deemed disposal of equity interest in a subsidiary	–	671,520	–	–	671,520	2,323,466	2,994,986
Total transactions with owners	–	671,520	–	–	671,520	2,216,666	2,888,186
Balance at 30 June 2026	22,071,756	730,539	4,478,180	9,040,788	36,321,263	10,411,766	46,733,029

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Unaudited						
	Attributable to the owners of the Company					Non-controlling interests	Total equity
	Share capital HK$'000	Capital reserve HK$'000	Other reserves HK$'000	Retained earnings HK$'000	Total HK$'000	HK$'000	HK$'000
Balance at 1 January 2025	22,071,756	59,019	1,027,997	15,391,191	38,549,963	6,769,996	45,319,959
Comprehensive income for the six months ended 30 June 2025							
Loss for the interim period	–	–	–	(2,618,042)	(2,618,042)	110,709	(2,507,333)
Other comprehensive income:							
Exchange differences on translation of foreign operations	–	–	830,733	–	830,733	105,763	936,496
Share of other comprehensive income of an associate	–	–	1,238	–	1,238	–	1,238
Total comprehensive income for the interim period	–	–	831,971	(2,618,042)	(1,786,071)	216,472	(1,569,599)
Transactions with owners in their capacity as owners							
Dividends provided for or paid	–	–	–	–	–	(6,186)	(6,186)
Total transactions with owners	–	–	–	–	–	(6,186)	(6,186)
Balance at 30 June 2025	22,071,756	59,019	1,859,968	12,773,149	36,763,892	6,980,282	43,744,174

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

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Unaudited Six months ended 30 June 2026 HK$'000	2025 HK$'000
Cash flows from operating activities		
Cash generated from operations	**781,878**	5,966,781
Interest paid	**(696,082)**	(1,188,554)
Interest received	**22,485**	43,437
Income tax paid	**(2,218,565)**	(3,182,979)
Net cash flows (used in)/generated from operating activities	**(2,110,284)**	1,638,685
Cash flows from investing activities		
Payments of loans to joint ventures	**(107,635)**	(65,130)
Repayments of loans to joint ventures	**–**	5,037
Capital injection to joint ventures	**(2,266)**	(94,671)
Purchases of property, plant and equipment	**(68,063)**	(165,617)
Purchases of investment properties under development	**(54,414)**	(10,643)
Proceeds from disposals of an associate	**5,712**	–
Proceeds from disposals of a subsidiary	**310,162**	–
Interest received from loans to related parties	**7,021**	84
Dividends received from joint ventures and associates	**198,275**	–
Proceeds from disposal of financial assets at fair value through profit or loss	**339,900**	–
Loans to non-controlling interests	**(360,861)**	–
Net cash flows generated from/(used in) investing activities	**267,831**	(330,940)

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Unaudited Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Cash flows from financing activities		
Proceeds from bank and other borrowings	**7,137,546**	9,443,416
Repayments of bank and other borrowings	**(7,055,745)**	(9,967,936)
Proceeds from loans from the ultimate holding company	**8,362,836**	3,929,510
Repayments of loans from the ultimate holding company	**(2,543,585)**	(4,620,713)
Proceeds from loans from the immediate holding company	**300,000**	–
Repayments of loans from the immediate holding company	**(100,000)**	–
Loans from a fellow subsidiary	**2,266**	–
Repayments of loans from fellow subsidiaries	**(57,783)**	(57,532)
Repayments of loans from joint ventures	**(135,960)**	–
Capital element of lease payments	**(57,755)**	(38,621)
Dividends paid to non-controlling interests	**–**	(6,186)
Repayments of loans from non-controlling interests	**(223,591)**	(945,366)
Net cash flows generated from/(used in) financing activities	**5,628,229**	(2,263,428)
Net increase/(decrease) in cash and cash equivalents	**3,785,776**	(955,683)
Cash and cash equivalents at beginning of the interim period	**4,812,533**	5,786,000
Exchange difference on cash and cash equivalents	**210,482**	84,770
Cash and cash equivalents at end of the interim period	**8,808,791**	4,915,087

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

Notes to the Interim Condensed Consolidated Financial Information

1 General information

Shenzhen Investment Limited (the "Company") is a limited liability company incorporated in Hong Kong. The address of the Company's registered office is located at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Kowloon, Hong Kong. The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in property development, property investment, property management and manufacture operation.

In the opinion of the directors, the immediate holding company of the Company is Shum Yip Holdings Company Limited ("Shum Yip Holdings", 深業（集團）有限公司), which is a private company incorporated in Hong Kong. The ultimate holding company of the Company is 深業集團有限公司 ("Shum Yip Group"), which is a state-owned company established in Shenzhen, the People's Republic of China (the "PRC").

The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial information comprises the condensed consolidated statement of financial position as at 30 June 2026, the condensed consolidated statement of profit or loss, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes (the "Interim Financial Information").

The Interim Financial Information is presented in Hong Kong dollar ("HK$") and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

This Interim Financial Information was approved for issue by the Board of Directors of the Company on 27 August 2026 and has not been audited.

2 Basis of preparation

2.1 The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with HKAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

The financial information relating to the year ended 31 December 2025 that is included in the interim condensed consolidated statement of financial position as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the 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 the financial statements for the year ended 31 December 2025. 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 section 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

The interim comparative financial information of the Group which comprises the condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows of the Group for the six months ended 30 June 2025 and other explanatory information have not been audited or reviewed.

2 Basis of preparation (Continued)

2.1 (Continued)

(a) New and amended standards adopted by the Group

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

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

The amendments listed above did not have any impact on the interim condensed consolidated financial information.

2 Basis of preparation (Continued)

2.1 (Continued)

(b) Impact of standards issued but not yet applied by the Group

The Group has not applied the following new and amended HKFRS Accounting Standards, that are expected to be relevant to the Group and have been issued but are not yet effective, in these interim financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

		Effective for the annual periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures	1 January 2027
HKFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027

The Group has already commenced an assessment of the impact of these new or amended standards and interpretations, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the Group, no material impact on the financial performance and position of the Group in the current or future reporting period and on foreseeable future transactions is expected when they become effective except HKFRS 18.

2 Basis of preparation (Continued)

2.1 (Continued)

(b) Impact of standards issued but not yet applied by the Group (Continued)

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

2 Basis of preparation (Continued)

2.2 Going concern basis

Due to the volatility of the property market in the PRC and the unfavourable impact on the presale performance during the period and subsequent to the period end date, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern for at least 12 months from 30 June 2026.

The directors of the Company are of the opinion that, taking into account the anticipated cash flows generated from the Group's operations as well as the possible changes in its operating performance, the Group's plan of land acquisitions; and the continued availability of the Group's bank and other borrowings as well as the Group's ability to raise new financing under the prevailing rules and regulations, and the financial support from the ultimate holding company, the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the coming twelve months from 30 June 2026.

Accordingly, these interim condensed consolidated financial information have been prepared on a going concern.

3 Accounting estimates

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

4 Financial risk management

The Group's major operations are mainly located in the PRC and are subject to special considerations and significant risks. These include risks associated with, among others, the political, economic and legal environment, influence of national authorities over pricing regulation and competition in the market.

4 Financial risk management (Continued)

The Group's activities expose it to a variety of financial risks: market risk (mainly including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's 2025 financial statements.

There have been no significant changes in the risk management department, policies and procedures during the interim period.

4.1 Financial risk factors

(a) Liquidity risk

The table below analyses the Group's financial liabilities into relevant maturity grouping based on the remaining period at the date of statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows and include interest.

	As at 30 June 2026				
	Less than 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 3 years HK$'000	Over 3 years HK$'000	Total HK$'000
Interest-bearing bank and other borrowings	13,797,646	11,822,191	7,990,256	7,510,895	41,120,988
Lease liabilities	67,560	86,710	37,520	72,371	264,161
Trade and other payables	12,504,564	–	–	–	12,504,564
Due to the immediate holding company	4,454,696	–	–	–	4,454,696
Due to the ultimate holding company	13,213,484	2,986,719	1,931,918	–	18,132,121
	44,037,950	14,895,620	9,959,694	7,583,266	76,476,530

4 Financial risk management (Continued)

4.1 Financial risk factors (Continued)

(a) Liquidity risk (Continued)

	As at 31 December 2025				
	Less than 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 3 years HK$'000	Over 3 years HK$'000	Total HK$'000
Interest-bearing bank and other borrowings	12,878,612	8,675,226	8,220,025	11,182,992	40,956,855
Lease liabilities	105,797	76,303	41,376	97,665	321,141
Trade and other payables	16,011,773	–	–	–	16,011,773
Due to the immediate holding company	4,322,594	–	–	–	4,322,594
Due to the ultimate holding company	11,336,848	1,474,959	1,375,134	–	14,186,941
	44,655,624	10,226,488	9,636,535	11,280,657	75,799,304

The Group had adequate financial resources to repay these debts when they become due and payable.

4 Financial risk management (Continued)

4.2 Fair value estimation

(a) Fair value hierarchy

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2026.

The table below analyses financial instruments carried or presented at fair value, by level of the inputs to valuation techniques used to measure fair value. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities. The quoted prices already incorporate the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to Environmental, Social and Governance ("ESG") risks (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs). This is the case for unlisted equity securities and for instruments where ESG risk gives rise to a significant unobservable adjustment (level 3).

4 Financial risk management (Continued)

4.2 Fair value estimation (Continued)

(a) Fair value hierarchy (Continued)

	At 30 June 2026			
	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
Financial assets at fair value through profit or loss ("FVTPL")				
– Listed equity investments in Hong Kong	546	–	–	546
– Listed equity investments in Chinese mainland*	36,468	–	–	36,468
– Unlisted equity investments in Chinese mainland	–	–	103,617	103,617
Financial assets at fair value through other comprehensive income ("FVOCI")				
– Unlisted equity investments in Chinese mainland	–	–	2,326	2,326
	37,014	–	105,943	142,957

* Chinese mainland: the People's Republic of China, for the purpose of this interim report, excluding Hong Kong, Macau and Taiwan.

4 Financial risk management (Continued)

4.2 Fair value estimation (Continued)

(a) Fair value hierarchy (Continued)

	At 31 December 2025			
	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
Financial assets at fair value through profit or loss ("FVTPL")				
– Listed equity investments in Hong Kong	773	–	–	773
– Listed equity investments in Chinese mainland *	40,614	–	–	40,614
– Unlisted equity investments in Chinese mainland	–	–	99,639	99,639
– Wealth management products in Chinese mainland	–	–	332,579	332,579
Financial assets at fair value through other comprehensive income ("FVOCI")				
– Unlisted equity investments in Chinese mainland	–	–	2,237	2,237
	41,387	–	434,455	475,842

4 Financial risk management (Continued)

4.2 Fair value estimation (Continued)

(b) Fair value measurements using significant unobservable inputs

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

	30 June 2026 HK$'000	31 December 2025 HK$'000
At 1 January	**434,455**	99,508
Fair value changes	**–**	443
Additions	**–**	491,220
Decreases	**(340,360)**	(163,876)
Exchange differences	**11,848**	7,160
At 30 June	**105,943**	434,455

There were no transfers between the levels of the fair value hierarchy during the interim period. There were also no changes made to any of the valuation techniques applied as of 30 June 2026.

4 Financial risk management (Continued)

4.3 Group's valuation processes

The Group's finance department performs the valuations of financial assets required for financial reporting purpose, including Level 3 fair values. The financial department reports directly to the executive directors. Discussions of valuation results are held between the executive directors and the financial department at least once in every reporting period, in line with the Group's interim and annual reporting dates.

5 Segment information

The executive directors (chief operating decision-maker) assess the performance of the operating segments based on a measurement of operating profit. Information of segment assets and liabilities for the interim period are not included in the reports reviewed by the executive directors. Other information provided to the executive directors is measured in a manner consistent with that in the 2025 financial statements.

Revenues between segments are carried out on terms agreed upon by the respective parties. The revenue from external parties reported to the executive directors is measured in a manner consistent with that in the condensed consolidated statement of profit or loss.

5 Segment information (Continued)

The segment information provided to executive directors for the reportable segments for the six months ended 30 June 2026 and 2025 are as follows:

	Six months ended 30 June 2026					
	Property development HK$'000	Property investment HK$'000	Property management HK$'000	Manufacturing HK$'000	Others HK$'000	Total HK$'000
Revenue from contracts with customers						
Recognised at a point of time	6,860,763	–	10,375	117,112	741,797	7,730,047
Recognised over time	–	–	1,731,435	–	158,063	1,889,498
Revenue from other sources						
Rental income	–	657,597	–	–	–	657,597
Total segment revenue	6,860,763	657,597	1,741,810	117,112	899,860	10,277,142
Inter-segment revenue	–	(21,010)	(102,465)	–	(14,529)	(138,004)
Revenue from external customers	6,860,763	636,587	1,639,345	117,112	885,331	10,139,138
Segment results before decrease in fair value of investment properties	(868,170)	253,381	126,094	8,801	(173,042)	(652,936)
Losses resulted from changes in fair value of and transfer to investment properties	–	(222,653)	–	–	–	(222,653)
Segment results after decrease in fair value of investment properties	(868,170)	30,728	126,094	8,801	(173,042)	(875,589)
Share of results of joint ventures and associates						(222,913)
Other income						64,266
Other gains						76,239
Fair value gains of financial assets measured at fair value through profit or loss, net						(5,903)
Corporate and other unallocated expenses						(53,667)
Finance costs, net						(705,471)
Loss before income tax						(1,723,038)

Notes to the Interim Condensed Consolidated Financial Information

5 Segment information (Continued)

	Six months ended 30 June 2025					
	Property development HK$'000	Property investment HK$'000	Property management HK$'000	Manufacturing HK$'000	Others HK$'000	Total HK$'000
Revenue from contracts with customers						
Recognised at a point of time	7,463,987	–	9,443	231,863	167,517	7,872,810
Recognised over time	–	–	1,667,508	–	262,415	1,929,923
Revenue from other sources						
Rental income	–	656,308	–	–	–	656,308
Total segment revenue	7,463,987	656,308	1,676,951	231,863	429,932	10,459,041
Inter-segment revenue	–	(9,042)	(83,174)	–	(16,830)	(109,046)
Revenue from external customers	7,463,987	647,266	1,593,777	231,863	413,102	10,349,995
Segment results before decrease in fair value of investment properties	459,737	389,436	151,805	7,966	(268,600)	740,344
Losses resulted from changes in fair value of and transfer to investment properties	–	(99,669)	–	–	–	(99,669)
Segment results after decrease in fair value of investment properties	459,737	289,767	151,805	7,966	(268,600)	640,675
Share of results of joint ventures and associates						(666,569)
Impairment losses on investment in an associate						(1,257,004)
Other income						108,875
Other gains						2,386
Fair value gains of financial assets measured at fair value through profit or loss, net						1,118
Corporate and other unallocated expenses						(48,667)
Finance costs, net						(687,688)
Loss before income tax						(1,906,874)

5 Segment information (Continued)

As the Group generates substantially all of its revenues from customers domiciled in Chinese mainland and majority of its non-current assets are located in Chinese mainland, no geographical information is presented.

6 Revenue

Revenue, represents sale of completed properties, commercial and industrial goods, rental income, property management service income and others.

Revenue from contracts with customers by major products and service lines is as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Revenue from contracts with customers		
Sales of properties	**6,860,763**	7,463,987
Property management service income	**1,639,345**	1,593,777
Sales of industrial goods	**117,112**	231,863
Others	**885,331**	413,102
	9,502,551	9,702,729
Revenue from other sources		
Rental income	**636,587**	647,266
	10,139,138	10,349,995

No single customer contributed 10% or more of the Group's total revenue during the six months ended 30 June 2026 and 2025.

7 Expenses by nature

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Cost of properties and inventories sold	**6,166,585**	6,602,696
Cost of services provided	**2,544,799**	1,974,032
Employee benefit expenses	**421,760**	393,049
Write-down of properties under development and completed properties held for sale	**1,120,892**	186,422
Advertising and promotion costs	**234,758**	110,678
Depreciation of property, plant and equipment	**35,323**	37,925
Other taxes and levies	**86,638**	85,946
Others	**223,122**	257,206
Total cost of sales and services, selling and distribution expenses, administrative expenses and other expenses	**10,833,877**	9,647,954

8 Other income

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Government grant	**3,873**	4,621
Interest income from joint ventures and a non-controlling interest	**45,106**	87,252
Compensation income	**3,450**	3,402
Others	**11,837**	13,600
	64,266	108,875

9 Other gains

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Gain on disposal of a subsidiary	**74,009**	–
Net gain on disposal of property, plant and equipment	**2,230**	2,386
	76,239	2,386

10 Finance costs – net

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Finance income:		
– Interest income from bank deposits	**(22,485)**	(43,437)
Finance costs:		
– Interest expenses of bank loans	**495,307**	617,662
– Interest expenses of other borrowings	**110,383**	111,359
– Lease liabilities	**3,953**	6,421
– Loans from the ultimate holding company	**231,616**	251,704
– Loans from the immediate holding company	**69,163**	82,958
– Loans from fellow subsidiaries	**17,856**	24,184
– Loans from a joint venture	**781**	1,216
– Loans from a related company	**–**	2,809
– Loans from non-controlling interests	**18,352**	37,880
	947,411	1,136,193
Less: amounts capitalised on qualifying assets	**(219,455)**	(405,068)
	727,956	731,125
Finance costs – net	**705,471**	687,688

Finance costs have been capitalised on qualifying assets at an average rate of 3.11% for the six months ended 30 June 2026 (six months ended 30 June 2025: 3.56%).

11 Income tax expenses

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Current income tax		
– Chinese mainland CIT	**219,297**	314,418
– LAT in Chinese mainland	**89,183**	337,430
	308,480	651,848
Deferred income tax		
– Chinese mainland CIT	**(109,876)**	(102,448)
– Withholding tax on dividend	**12,903**	2,799
– LAT in Chinese mainland	**1,454**	48,260
	(95,519)	(51,389)
Total	**212,961**	600,459

The provision for Hong Kong Profits Tax for the six months ended 30 June 2026 is calculated at 16.5% (six months ended 30 June 2025: 16.5%) of the estimated assessable profits for the interim period. No provision for Hong Kong Profits Tax was made as the Group has no assessable profits arising in or derived from Hong Kong for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

No provision for taxation has been recognised for companies incorporated in the British Virgin Islands ("BVI"), as they are not subject to any tax for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

Under the relevant income tax law, the Chinese mainland subsidiaries are subject to corporate income tax ("CIT") at a statutory rate of 25% on their respective taxable income during the interim period.

Land appreciation tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including amortisation of land use rights, borrowing costs and all property development expenditures.

11 Income tax expenses (Continued)

Dividend withholding income tax

Pursuant to the Detailed Implementation Regulations for Implementation of the Corporate Income Tax Law, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to a withholding income tax of 10%. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are qualified as tax residents of Hong Kong according to the tax treaty arrangements between the PRC and Hong Kong.

During the six months ended 30 June 2026 and 2025, deferred income tax liabilities had been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries in the PRC, as these earnings are expected to be distributed by the PRC subsidiaries and would be remitted to their overseas holding companies in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Chinese mainland for which deferred tax liabilities have not been recognised totalled approximately HK$953 million at 30 June 2026 (31 December 2025: HK$1,397 million).

12 Losses per share

Basic losses per share are calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the interim period.

	Six months ended 30 June	
	2026	2025
Loss attributable to the owners of the Company (HK$'000)	**(1,985,855)**	(2,618,042)
Weighted average number of ordinary shares in issue	**8,898,793,115**	8,898,793,115

13 Dividends

On 27 August 2026, the Board of Directors has resolved not to declare the payment of any interim dividends for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

14 Property, plant and equipment and investment properties

	Property, plant and equipment HK$'000	Investment properties HK$'000
Six months ended 30 June 2026		
At 1 January 2026	8,450,440	34,814,088
Addition	82,872	–
Transfer from completed properties held for sale	124,529	38,737
Transfer to investment properties	(817,184)	–
Transfer from property, plant and equipment	–	817,184
Addition of investment properties under development	–	54,414
Derecognition of right-of-use assets	(7,367)	–
Disposal of a subsidiary	(52,777)	–
Recognition of change in other comprehensive income transfer to investment properties	–	5,035
Decrease in fair value of and transfer to investment properties	–	(222,653)
Other decreases	(15,202)	–
Depreciation	(207,875)	–
Exchange differences	327,552	1,401,110
At 30 June 2026	7,884,988	36,907,915

The Group's investment properties are located in Chinese mainland and are held under medium lease terms. The Group's investment properties were revalued at 30 June 2026 based on valuation performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL"), an independent, professionally qualified valuation firm.

14 Property, plant and equipment and investment properties (Continued)

The Group's investment properties are all at Level 3 valuation. The Group's property managers and the general manager of financial management department have discussed with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each reporting date.

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

	Valuation technique	Significant unobservable inputs	Range
Investment properties – commercial properties and others	Income capitalisation method	Vacancy rate	3% – 20% (31 December 2025: 3% – 20%)
		Capitalisation rate	2% – 7% (31 December 2025: 3% – 7%)
		Monthly rental (RMB/square meter/month)	15 – 500 (31 December 2025: 18 – 500)
	Residual method	Vacancy rate	10% – 15% (31 December 2025: 10% – 15%)
		Capitalisation rate	5% – 6% (31 December 2025: 5% – 6%)
		Monthly rental (RMB/square meter/month)	30 – 51 (31 December 2025: 30 – 51)
		Estimated developer's profit margins	7% (31 December 2025: 7%)

14 Property, plant and equipment and investment properties (Continued)

	Valuation technique	Significant unobservable inputs	Range
Investment properties – car parking space	Income capitalisation method	Vacancy rate	5% – 25% (31 December 2025: 5% – 25%)
		Capitalisation rate	4% (31 December 2025: 4%)
		Monthly rental (RMB per car parking spaces per month)	250 – 850 (31 December 2025: 250 – 850)
	Residual method	Vacancy rate	25% (31 December 2025: 25%)
		Capitalisation rate	4% (31 December 2025: 4%)
		Monthly rental (RMB/square meter/month)	250 (31 December 2025: 250)
		Estimated developer's profit margins	7% (31 December 2025: 7%)

14 Property, plant and equipment and investment properties (Continued)

The fair value of the Group's investment properties in Chinese mainland is determined using income capitalisation method and residual method.

Fair value of completed investment properties for commercial, residential and carparks is generally derived using the income capitalisation method which determines fair values by discounting the projected cash flows associated with the properties using capitalisation rates. The valuation takes into account expected market rental growth and vacancy rate of the respective properties. The discount rates used have been adjusted for the quality and location of the buildings and the tenant credit quality. The fair value measurement is positively correlated to the expected market rental growth, and negatively correlated to the vacancy rate and the capitalisation rate.

Fair value of commercial properties and carparks under development is generally derived using the residual method which takes into account the residual value of the gross development value ("GDV") after deduction of the outstanding construction costs and expenses as well as profit element. It involves firstly the assessment of the aggregate GDV of the proposed development, as if completed, as at the valuation date. Estimated costs of the proposed development include construction costs, marketing expense, professional fee, finance charges and associated costs, plus an allowance for the developer's risk and profit. The outstanding development costs are then deducted from the GDV and the resultant figure is the residual value of the subject property.

Certificates of ownership in respect of certain investment properties of the Group with a net carrying amount of approximately HK$3,128,553,000 as at 30 June 2026 (31 December 2025: HK$3,607,151,000) have not yet been issued by the relevant PRC authorities. The Group is in the process of obtaining the relevant certificates.

As at 30 June 2026, the Group's property, plant and equipment and investment properties with a net carrying amount of HK$1,030,000 and HK$12,172,396,000 respectively (31 December 2025: HK$1,007,000 and HK$11,702,919,000) were pledged to secure bank loans granted to the Group (note 22(a)).

15 Leases

(a) Amounts recognised in the condensed consolidated statement of financial position

The condensed consolidated statement of financial position shows the following amounts relating to leases:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Right-of-use assets		
Land use right	**50,286**	48,798
Buildings	**238,556**	271,270
	288,842	320,068
Lease liabilities		
Current	**61,035**	82,453
Non-current	**180,359**	198,056
	241,394	280,509

Additions to the right-of-use assets during the interim period were HK$14,808,000 (six months ended 30 June 2025: HK$26,022,000).

(b) Amounts recognised in the condensed consolidated statement of profit or loss

Depreciation charge of right-of-use assets during the interim period was HK$41,065,000 (six months ended 30 June 2025: HK$44,301,000). Expenses relating to short-term leases and low-value assets was HK$37,438,000 (six months ended 30 June 2025: HK$23,991,000) and HK$680,000 (six months ended 30 June 2025: HK$939,000) respectively.

The total cash outflow for leases during the interim period was HK$99,304,000 (six months ended 30 June 2025: HK$71,877,000).

16 Investments in joint ventures

	30 June 2026 HK$'000
Opening balances	**8,205,132**
Additions	**38,193**
Share of results	**(92,808)**
Dividends	**(190,339)**
Exchange differences	**276,315**
Closing balances	**8,236,493**

As at 30 June 2026, the Group had an outstanding capital commitment to Shum King Company Limited ("Shum King") (note 24).

17 Trade and other receivables

	30 June 2026 HK$'000	31 December 2025 HK$'000
Included in non-current assets		
– Other receivables – net	**821,327**	1,159,323
Included in current assets		
– Trade receivables – net (a)	**1,241,960**	1,551,632
– Other receivables – net (b)	**10,266,815**	9,273,469
– Prepayments (c)	**107,039**	125,313
	11,615,814	10,950,414

17 Trade and other receivables (Continued)

(a) Details of trade receivables are as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Trade receivables	**1,442,922**	1,740,124
Less: provision for loss allowance	**(200,962)**	(188,492)
Trade receivables – net	**1,241,960**	1,551,632

The Group normally does not grant any credit terms to its customers for the sale of properties. The Group seeks to maintain strict control over its outstanding receivables. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables balances. Trade receivables are non-interest-bearing.

As at 30 June 2026, the Group's trade receivables with a net carrying value of approximately HK$51,458,000 (31 December 2025: HK$50,838,000) was pledged to secure other borrowings granted to the Group (note 22(a)).

An ageing analysis of the trade receivables as at the end of the reporting period, based on the contract date, is as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Within 1 year	**804,990**	1,186,562
1 to 2 years	**288,020**	328,853
2 to 3 years	**144,309**	86,582
Over 3 years	**205,603**	138,127
	1,442,922	1,740,124

17 Trade and other receivables (Continued)

(b) Details of other receivables are as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Prepaid tax	**3,920,171**	3,912,918
Dividend receivable from joint ventures and associates	**610,905**	689,484
Due from an associate	**28,457**	26,770
Due from joint ventures	**2,545,484**	2,350,377
Due from non-controlling interests	**1,070,381**	671,582
Due from fellow subsidiaries	**4,084**	3,782
Due from the ultimate holding company	**26,690**	28,696
Due from the immediate holding company	**1,258**	1,172
Others (i)	**2,416,521**	1,930,220
	10,623,951	9,615,001
Less: allowance for impairment	**(357,136)**	(341,532)
Other receivables – net	**10,266,815**	9,273,469

(i) Others mainly included deposits, dividends receivable and current amounts due from fellow subsidiaries of the Group.

(c) Details of prepayments are as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
For acquisitions of land	**12,963**	12,465
For construction costs and construction materials	**12,885**	7,118
Others	**81,191**	105,730
	107,039	125,313

18 Properties under development

	30 June 2026 HK$'000	31 December 2025 HK$'000
Construction costs	**6,729,182**	7,556,204
Land costs	**23,182,667**	25,646,413
Less: write-down	**(1,116,732)**	(877,740)
	28,795,117	32,324,877

During the interim period, the write-down of properties under development located in Chinese mainland of HK$200,706,000 (six months ended 30 June 2025: Nil) was recognised in the Group's condensed consolidated statement of profit or loss.

As at 30 June 2026, the Group's properties under development with a net carrying amount of HK$4,407,963,000 (31 December 2025: HK$4,238,735,000) were pledged to secure bank loans granted to the Group (note 22(a)).

19 Completed properties held for sale

	30 June 2026 HK$'000	31 December 2025 HK$'000
Completed properties held for sale	**38,683,045**	37,826,880
Less: write-down	**(2,792,296)**	(2,045,973)
	35,890,749	35,780,907

During the interim period, the write-down of completed properties held for sale located in Chinese mainland of HK$920,185,000 (six months ended 30 June 2025: HK$186,422,000) was recognised in the Group's condensed consolidated statement of profit or loss.

As at 30 June 2026, the Group's completed properties held for sale with a net carrying amount of HK$1,366,357,000 (31 December 2025: HK$871,061,000) were pledged to secure bank loans granted to the Group (note 22(a)).

20 Cash and cash equivalents

	30 June 2026 HK$'000	31 December 2025 HK$'000
Cash and bank balances	**12,063,525**	8,303,793
Less: restricted cash(a)	**(3,251,908)**	(3,482,059)
bank deposits(b)	**(2,826)**	(9,201)
Cash and cash equivalents	**8,808,791**	4,812,533

As at 30 June 2026, cash and cash equivalents did not include housing maintenance funds of HK$66,774,111 (31 December 2025: HK$72,538,093) which were owned by the property owners but were deposited in the bank accounts in the name of the Group. Such deposits can be used by the Group for the purpose of public maintenance expenditures to be incurred at the sole discretion and approval of the relevant government authorities.

(a) Restricted cash mainly represented unreleased guarantee deposits for construction of pre-sale properties denominated in RMB placed in designated bank accounts as at 30 June 2026, and will be released in accordance with certain construction progress milestones.

(b) These bank deposits were with original maturity over three months. The effective interest rate of these deposits as at 30 June 2026 was 1.07% per annum (31 December 2025: 0.97% per annum).

21 Share capital and reserves

(a) Share capital

	30 June 2026 HK$'000	31 December 2025 HK$'000
Issued and fully paid:		
8,898,793,115 (31 December 2025: 8,898,793,115) ordinary shares	**22,071,756**	22,071,756

(b) Reserves

The amounts of the Group's reserves and the movements therein for the current period are set out in the condensed consolidated statement of changes in equity.

22 Bank and other borrowings

	30 June 2026 HK$'000	31 December 2025 HK$'000
Non-current		
Bank loans – secured (a)	**1,292,342**	984,790
Bank loans – unsecured	**21,136,429**	17,891,540
Other borrowings – secured CMBS (a)	**3,484,880**	7,152,495
	25,913,651	26,028,825
Current		
Bank loans – secured (a)	**351,730**	389,570
Bank loans – unsecured	**8,496,895**	11,183,700
Other borrowings – secured CMBS (a)	**4,040,583**	167,947
	12,889,208	11,741,217
	38,802,859	37,770,042

All of the non-current interest-bearing borrowings are carried at amortised cost.

22 Bank and other borrowings (Continued)

(a) At 30 June 2026, loans amounting to approximately HK$9,169,535,000 (31 December 2025: HK$8,694,802,000) were secured by certain of the Group's assets with carrying amounts as below:

	Carrying Amount	
	30 June 2026 HK$'000	31 December 2025 HK$'000
Property, plant and equipment (included land and buildings) (note 14)	**1,030**	1,007
Properties under development (note 18)	**4,407,963**	4,238,735
Completed properties held for sale (note 19)	**1,366,357**	871,061
Trade receivables (note 17)	**51,458**	50,838
Investment properties (note 14)	**12,172,396**	11,702,919
	17,999,204	16,864,560

(b) At 30 June 2026, bank borrowings of approximately HK$25,618,190,000 (31 December 2025: HK$25,202,033,000) were bearing floating rates.

(c) Except for the bank borrowings equivalent to approximately HK$13,634,410,000 (31 December 2025: HK$13,949,487,000), which are denominated in Hong Kong dollars, all other borrowings as at 30 June 2026 are denominated in RMB.

(d) For the six months ended 30 June 2026, the average effective interest rate of the bank and other borrowings was 3.17% per annum (six months ended 30 June 2025: 3.58% per annum).

23 Trade and other payables

	30 June 2026 HK$'000	31 December 2025 HK$'000
Trade payables (a)	**5,641,382**	7,791,632
Other payables and accruals (b)	**8,221,038**	9,528,162
Other taxes payables	**226,847**	141,092
	14,089,267	17,460,886

(a) Trade payables

The ageing analysis of the trade payables based on invoice date was as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Within 1 year	**5,055,428**	7,252,253
1 to 2 years	**199,532**	175,583
2 to 3 years	**134,336**	142,445
Over 3 years	**252,086**	221,351
	5,641,382	7,791,632

23 Trade and other payables (Continued)

(b) Other payables and accruals

Other payables and accruals mainly included deposits from property buyers and current accounts due to joint ventures, fellow subsidiaries and non-controlling interests of the Group.

	30 June 2026 HK$'000	31 December 2025 HK$'000
Accruals and other payables	**3,823,836**	4,620,998
Output VAT to be transferred	**749,316**	965,762
Employee benefits payable	**809,179**	814,321
Dividend payables to non-controlling shareholders	**217,982**	231,416
Due to joint ventures	**19,959**	155,322
Due to fellow subsidiaries	**1,819,266**	1,788,299
Due to non-controlling interests	**781,500**	952,044
	8,221,038	9,528,162

24 Commitments

Capital commitments outstanding at 30 June 2026 not provided for in the interim financial report were as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Commitments in respect of the acquisition of land and buildings, and development costs attributable to properties under development:		
Contracted, but not provided for	**7,515,079**	7,307,622

The Group agreed a maximum capital contribution to a joint venture, Shum King, of HK$3,000,000,000 for its development of a piece of land in Hong Kong. As at 30 June 2026, the Group had an outstanding capital commitment to Shum King of HK$1,360,000,000 (31 December 2025: HK$1,360,000,000).

25 Financial guarantees

	30 June 2026 HK$'000	31 December 2025 HK$'000
Financial guarantees		
– to the mortgage of purchasers of the Group's properties (a)	**9,164,129**	13,523,487
– to related parties of the Group (b)	**212,879**	223,419
– to the parties affected by the urban renewal project, using their demolished properties as collateral for the loan (c)	**284,250**	325,274

(a) Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the related properties. The Group's guarantee period commences from the date of grant of the relevant mortgage loan and ends after the buyer of the Group's properties obtained the individual property ownership certificate.

The directors consider that in case of default in payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage loans together with any accrued interest and penalty and therefore no provision has been made in connection with the guarantees.

(b) As at 30 June 2026, the Group has given guarantees amounted to HK$212,879,000 (31 December 2025: HK$223,419,000) in respect of bank loans and other borrowings to Taizhou Shum Yip Investment Development Limited, a joint venture of the Group.

25 Financial guarantees (Continued)

(c) During the interim period, the Group provided loan guarantees to the parties affected by the urban renewal project, using their demolished properties as collateral for the loan.

Pursuant to the terms of the guarantees, if there is default on repayment by these affected parties, the Group is responsible for repaying the outstanding bank loans with any accrued interest and penalties owed to the bank. The Group is then entitled to take over the legal ownership of the repossessed properties. The Group's guarantee period extends from the date of signing the guarantee contract until the affected parties obtain the ownership certificate of the repossessed properties.

The directors consider that in case of default in payment, the net realizable value of the related properties is sufficient to repay the outstanding loans along with any accrued interest and penalties, and therefore no provisions have been made in connection with the guarantees.

26 Related party transactions

In addition to the financial guarantees provided to the joint venture disclosed in note 25(b) and the capital commitments provided to a joint venture disclosed in note 24, the Group had the following significant related party transactions:

(a) Financing arrangements

(i) The Group had certain financing arrangements with its related parties as at 30 June 2026, as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Loans from the ultimate holding company	**17,416,533**	13,741,435
Loans from the immediate holding company	**3,652,248**	3,448,574
Loans from fellow subsidiaries	**1,816,006**	1,783,087
Loans from non-controlling interests	**637,502**	813,763
Loans from a joint venture	**–**	136,129
	23,522,289	19,922,988

26 Related party transactions (Continued)

(a) Financing arrangements (Continued)

(i) (Continued)

The balances are interest bearing at interest rates ranging from 2.16% to 6.00% per annum (31 December 2025: 2.16% to 6.65% per annum). The relevant finance costs for the interim period are disclosed in note 10.

(ii) The Group had provided loans to its related parties as at 30 June 2026, as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Loans to an associate	**28,457**	26,770
Loans to joint ventures	**2,402,189**	2,207,955
Loans to non-controlling interests	**1,065,393**	666,675
	3,496,039	2,901,400

	Six months ended 30 June	
	2026 HK$'000	2025 HK$'000
Interest income from an associate	**609**	583
Interest income from joint ventures	**39,471**	66,615
Interest income from non-controlling interests	**5,026**	5,198
	45,106	72,396

The balances are interest bearing at rates ranging from 0.05% to 8.0% per annum (six months ended 30 June 2025: from 3.5% to 8.0% per annum).

26 Related party transactions (Continued)

(b) Leasing arrangements

(i) The Group entered into leases in respect of certain leasehold properties from its related parties, with lease terms ranging from 1 year to 3 years. During the six months ended 30 June 2026, the amounts of rent payable by the Group under these leases to its ultimate holding company, immediate holding company and associate were HK$2,601,000 (six months ended 30 June 2025: HK$3,738,000), HK$2,778,000 (six months ended 30 June 2025: HK$2,734,000) and HK$6,300,000 (six months ended 30 June 2025: HK$5,197,000) respectively. The related interest expenses from its ultimate holding company and associate for the six months ended 30 June 2026 were HK$14,000 (six months ended 30 June 2025: HK$170,000) and HK$391,000 (six months ended 30 June 2025: HK$586,000) respectively.

(ii) The Group also entered into lease arrangements with its ultimate holding company as a lessor. For the six months ended 30 June 2026, the rental income in respect of the lease arrangement was HK$2,770,000 (six months ended 30 June 2025: HK$4,899,000).

(iii) The prices for the above transactions were determined based on mutual agreement between the parties.

(c) Other related party transactions

(i) The Group entered into arrangements with its ultimate holding company and fellow subsidiaries in which the Group provides management services (training and property management). For the six months ended 30 June 2026, the management fee income in respect of the management services provided to the ultimate holding company and fellow subsidiaries were HK$512,000 and HK$27,011,000 respectively (six months ended 30 June 2025: HK$897,000 and HK$19,882,000).

26 Related party transactions (Continued)

(c) Other related party transactions (Continued)

(ii) The Group entered into the development and construction services agreement with the parent of its non-controlling interest. The parent of its non-controlling interest will provide development, construction, marketing and other services to the Group. The service fee shall be determined and accrued and payable by the Group to the parent of its non-controlling interest. For the six months ended 30 June 2026, the cost in respect of these services was HK$6,429,000, included value-added tax (six months ended 30 June 2025: HK$110,591,000). This transaction constitutes the continuing connected transactions under Hong Kong Listing Rules.

(iii) The Group entered into the Digital Platform Development Agreements and the Digital Platform Repair and Maintenance Services Agreements with its ultimate holding company and fellow subsidiaries for the provision of services of development and maintenance of digital platforms and systems. For the six months ended 30 June 2026, the service fee income in respect of the development and maintenance services provided to the ultimate holding company and fellow subsidiaries were HK$1,058,000 and HK$368,000 (six months ended 30 June 2025: HK$110,000 and HK$1,138,000) respectively.

(iv) The Group also entered into arrangements with its fellow subsidiaries which provide hotel management services to the Group. For the six months ended 30 June 2026, the management fee in respect of these event management services was HK$697,000 (six months ended 30 June 2025: HK$3,551,000).

(v) The Group entered into a transfer agreement with its fellow subsidiary on 6 February 2026, pursuant to which the Group disposed of a 70% equity interest in its subsidiary at a total cash consideration of HK$310,161,000. As at 30 June 2026, the Group ceased to hold any equity interest in the subsidiary and its financial results no longer be consolidated into the financial statements of the Group.

26 Related party transactions (Continued)

(c) Other related party transactions (Continued)

(vi) The Group entered into a debt-to-equity swap agreement with its ultimate holding company on 30 March 2026, pursuant to which the ultimate holding company made a capital contribution of HK$2,994,986,000 through the conversion of the aggregate principal amount of its loans due from a subsidiary into equity investment to this subsidiary. As at 30 June 2026, the Group and its ultimate holding company hold approximately 64.36% and 35.64% equity interest in the subsidiary.

(vii) The prices for the above-mentioned transactions with related parties were determined based on mutual agreement between the parties.

(d) Outstanding balances with related parties:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Due from joint ventures	**143,295**	142,422
Due from non-controlling interests	**4,988**	4,907
Due from fellow subsidiaries	**4,084**	3,782
Due from the ultimate holding company	**26,690**	28,696
Due from the immediate holding company	**1,258**	1,172
	180,315	180,979

26 Related party transactions (Continued)

(d) Outstanding balances with related parties: (Continued)

	30 June 2026 HK$'000	31 December 2025 HK$'000
Due to the ultimate holding company	**323,142**	329,503
Due to the immediate holding company	**743,714**	726,166
Due to a joint venture	**19,959**	19,193
Due to fellow subsidiaries	**3,260**	5,212
Due to non-controlling interests	**143,998**	138,281
	1,234,073	1,218,355

These balances are unsecured, interest-free and have no fixed terms of repayment.

(e) Compensation of key management personnel of the Group

	Six months ended 30 June	
	2026 HK$'000	2025 HK$'000
Short term employee benefits	**3,925**	5,011
Post-employment benefits	**309**	681
Share-based payments	**–**	–
Total compensation paid to key management personnel	**4,234**	5,692

27 Contingencies

On 29 November 2024, Chengdu Fengze Investment Co., Ltd and Shum Yip Terra (Holdings) Company Limited (collectively, "Subsidiaries"), both being non-wholly-owned subsidiaries of the Group, received a statement of claim from the Intermediate People Court of Chengdu City regarding the claims by Sichuan Haofu Industrial Co., Ltd. against the Subsidiaries and four individuals (all of the individuals are not directors or senior management of the Company) regarding the disputes in earnings distribution over the investment of "198" Congshu Area in Chenghua district, Chengdu, the People's Republic of China, with a claim amount of approximately RMB220 million. The first trial of the case commenced on 24 December 2024 and is now in progress. Chengdu Fengze Investment Co., Ltd and Shum Yip Terra (Holdings) Company Limited have engaged external legal advisers to handle the litigation, and will rigorously defend the litigation to protect the legitimate interest of the Group. Based on the current assessment and the legal opinions, management considers that the litigation has no material adverse financial impact on the operations of the Group.

28 Subsequent events after the reporting period

There have been no material subsequent events.

Disclosure of Interests

Directors' Interests in Shares

As at 30 June 2026, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to be held by them under such provisions of SFO), or which were recorded in the register required to be kept under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") adopted by the Company were as follows:

Long positions in the shares ("Shares") and underlying shares of the Company:

Name of director	Capacity	Number of ordinary Shares	Percentage of Shares in issue (Note)
LI Wai Keung	Beneficial owner	1,180,880	0.01

Note: The percentage was calculated based on 8,898,793,115 Shares in issue as at 30 June 2026.

Save as disclosed above, none of the directors and chief executive of the Company had, as at 30 June 2026, any interests or short positions in any Shares and underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to be held by them under such provisions of SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of Shares in, or debt securities (including debentures) of, the Company or its associated corporations and none of the directors, or their spouse or children under the age of 18, had any rights to subscribe for equity or debt securities of the Company or its associated corporations, or had exercised any such rights.

Interests of Substantial Shareholders

So far as is known to any director or chief executive of the Company, as at 30 June 2026, the interests and short positions of the shareholders (other than directors or chief executive of the Company) in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Disclosure of Interests

Name	Capacity	Number of ordinary Shares Long Position	Number of ordinary Shares Short Position	Percentage of Shares in issue (Note 1)
Shum Yip Group Limited* ("SYG")	Interest in controlled corporation	5,622,994,189 (Note 2)	–	63.19
Shum Yip Holdings Company Limited ("SYH")	Beneficial owner	5,546,307,730	–	62.33
	Interest in controlled corporation	76,686,459 (Note 3)	–	0.86
ALPHA-OMEGA CORPORATION	Beneficial owner	981,486,312	–	11.03

Notes:

1. The percentage was calculated based on 8,898,793,115 Shares in issue as at 30 June 2026.

2. SYG is deemed to be interested in the 5,622,994,189 Shares which SYH is interested in by virtue of SYH being its direct 90%-owned subsidiary.

3. These 76,686,459 Shares were held by Goldclass Industrial Limited, a wholly-owned subsidiary of Successful Years Holdings Limited, which in turn is wholly-owned by Shum Yip Finance Company Limited ("SYF"). SYF is a wholly-owned subsidiary of SYH and accordingly, SYH is deemed to be interested in these 76,686,459 Shares.

* The English translation is for identification purposes only.

Save as disclosed above, as at 30 June 2026, the Company had not been notified by any person (other than directors and chief executive of the Company) who had interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO.

Other Information

Share Option Scheme

The Company adopted a share option scheme on 31 May 2022 ("Share Option Scheme"). No options have been granted under the Share Option Scheme since its adoption. 889,879,311 options are available for grant at the beginning and end of the six months ended 30 June 2026 under the Share Option Scheme.

For the six months ended 30 June 2026, the total number of Shares available for issue under the Share Option Scheme was 889,879,311 representing approximately 10.0% of the weighted average number of shares in issue (excluding treasury shares) during the period.

Interim Dividend

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026.

Corporate Governance

During the six months ended 30 June 2026, the Company has applied the principles and complied with all code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), except for the deviation from code provision C.2.1 of the CG Code as expressly stated below.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the six months ended 30 June 2026, Mr. WANG Yuwen ("Mr. WANG") continued to act as the President of the Company after he assumed the role of the Chairman of the Board on 29 April 2025, which deviates from the above code provision C.2.1. However, such arrangement is temporary in nature and the Company is in the process of identifying a suitable candidate with appropriate experience as its President. The Board considers that Mr. WANG has extensive experience and knowledge in management and is familiar with the business operations of the Company. Having Mr. WANG as the Chairman of the Board and President before a new President takes office can ensure the stability of the Company's operations and facilitate the execution of the Company's business strategies. Under the supervision of other existing members of the Board, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

Purchase, Sale or Redemption of The Company's Securities

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares (as defined under the Listing Rules)). As at 30 June 2026, the Company did not hold any treasury shares.

Other Information

Events During The Reporting Period

Retirement and appointment of executive Director

On 23 January 2026, Ms. Shi Xiaomei retired as an executive Director as she has reached retirement age. On 30 March 2026, the Company announced the appointment of Dr. Xiang Dong as an executive Director. For details, please refer to the Company's announcements dated 23 January 2026 and 30 March 2026.

Connected Transaction – Disposal of 70% equity interest in Jinghua Electronics

On 6 February 2026, Shum Yip Pengji Holdings Co., Ltd*（深業鵬基（集團）有限公司）("Shum Yip Pengji") (a wholly-owned subsidiary of the Company) entered into the share transfer agreement with Shahe Industrial Co., Ltd.*（沙河實業股份有限公司）("Shahe Industrial") and Shenzhen Jinghua Displays Electronics Co., Ltd.*（深圳晶華顯示電子股份有限公司）("Jinghua Electronics"), pursuant to which Shum Yip Pengji has conditionally agreed to sell, and Shahe Industrial has conditionally agreed to purchase the 70% equity interest in Jinghua Electronics held by Shum Yip Pengji, for a total consideration of RMB273,752,500 in cash.

Shahe Industrial was controlled by Shum Yip Group, the controlling shareholder of the Company. Accordingly, Shahe Industrial was a connected person of the Company and the transaction constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the transaction exceeds 0.1% but is less than 5%, the transaction is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules. For details, please refer to the Company's announcements dated 6 February 2026 and 27 February 2026.

Connected Transaction – Offsetting Debt Arrangements

On 6 May 2026, Zhongshan Shenye Wansheng Investment Co., Ltd.*（中山市深業萬勝投資有限公司）("Shenye Wansheng") (a non-wholly owned subsidiary of the Company) entered into the offsetting debt agreements, pursuant to which, Shenye Wansheng shall transfer the title of the 57 units of office premises held by Shenye Wansheng (the "Offsetting Properties") at an aggregate value of RMB30,358,512 to Zhongshan Wanye Property Development Company Limited*（中山市萬業房地產有限公司）(a 35.17% equity holder of Shenye Wansheng) for and on behalf of Shum Yip Group. The transfer of Offsetting Properties will be used to offset part of Shenye Wansheng's outstanding shareholder loan owed to Shum Yip Group.

Shum Yip Group, being the controlling shareholder of the Company, is a connected person of the Company under Chapter 14A of the Listing Rules. As the offsetting debt agreement involved Shenye Wansheng disposing of the Offsetting Properties to offset part of its outstanding shareholder loan owed to Shum Yip Group, the arrangement constituted a connected transaction of the Company. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the offsetting debt agreements exceeds 0.1% but is less than 5%, the offsetting debt agreements are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules. For details, please refer to the Company's announcement dated 6 May 2026.

Major and Connected Transaction – Capital Increase and deemed disposal of equity interest in a subsidiary

On 30 March 2026 (after trading hours), the Company, Shum Yip Pengji and Shum Yip Group entered into the debt-to-equity swap agreement, pursuant to which Shum Yip Group agreed to make a capital contribution of RMB2,604,290,000 to Shum Yip Pengji by way of a debt-to-equity swap. Upon completion of the Capital Increase, the Company and Shum Yip Group will hold approximately 64.36% and 35.64% equity interest in Shum Yip Pengji, respectively. Shum Yip Pengji will continue to be a subsidiary of the Company and its financial results will continue to be consolidated into the financial statements of the Group.

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the capital increase is more than 25% but less than 75%, the capital increase constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules. Shum Yip Group, being the controlling shareholder of the Company, is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Capital Increase constitutes a connected transaction of the Company and is subject to the reporting, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The debt-to-equity swap agreement and the transactions contemplated thereunder were approved by the independent Shareholders at the annual general meeting held on 18 June 2026, at which Shum Yip Holdings and its associates abstained from voting on the relevant resolution. For details, please refer to the Company's announcements dated 30 March 2026 and 18 June 2026 and the Company's circular dated 21 May 2026.

Events After The Reporting Period

Continuing Connected Transaction – Entering into the Shahe Century Valley Property Management and Relevant Services Framework Agreement

On 22 July 2026, Shum Yip Property Operation Group Co., Ltd.* (深業物業運營集團股份有限公司) ("Shum Yip Property Operation") (a non-wholly owned subsidiary of the Company) and Shum Yip Shahe Century Valley (Shenzhen) Investment Company Limited* (深業沙河世紀山谷（深圳）投資有限公司) ("Shahe Century Valley Company") (a subsidiary of Shum Yip Group) entered into the property management and relevant services framework agreement (the "Framework Agreement"), pursuant to which Shum Yip Property Operation and/or its subsidiaries agreed to provide certain property management and relevant services to Shahe Century Valley Company and/or its subsidiaries. The Framework Agreement shall become effective upon execution by the parties' authorised representatives and the affixing of their company seals, and shall have a term from 1 January 2026 to 31 December 2028. The proposed annual caps for the transactions contemplated under the Framework Agreement for each of the years ending 31 December 2026, 2027 and 2028 are RMB30,000,000, RMB30,000,000 and RMB30,000,000, respectively.

As Shahe Century Valley Company is a subsidiary of Shum Yip Group, the ultimate holding company of the Company, it is an associate of a connected person of the Company. Accordingly, the entering into of the Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the annual caps exceeds 0.1% but is less than 5%, the transactions contemplated under the Framework Agreement are subject to the reporting, announcement and annual review requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. For details, please refer to the Company's announcement dated 22 July 2026.

Establishment of Sustainability Committee

On 27 August 2026, the Company announced the establishment of a Sustainability Committee consisting of two executive Directors and one independent non-executive Director. The Sustainability Committee is mainly responsible for guiding and monitoring the Group's environmental, social, and governance ("ESG") and corporate social responsibility strategy, managing ESG and climate-related risks and opportunities, ensuring regulatory and listing compliance, evaluating stakeholder impacts, and reviewing annual sustainability reports for Board approval. For details, please refer to the Company's announcement dated 27 August 2026.

Save as disclosed above, the Group had no significant events since the publication of the Company's 2025 annual report.

Material Changes

Save as disclosed in this report, there have been no material changes in respect of the future development of the business of the Group (including the Company's prospects for the current financial year) since the publication of the Company's 2025 annual report.

Model Code for Securities Transactions

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 its own code of conduct regarding Directors' securities transactions. Having made specific inquiries of all the Directors, each has confirmed that he/she has complied with the Model Code during the Reporting Period.

Continuing Disclosure Requirements under the Listing Rules

In compliance with continuing disclosure obligations under the Listing Rules, the following information is disclosed:

1. Pursuant to Rule 13.21 of the Listing Rules

Banking facilities with covenants in relation to specific performance of the controlling shareholder:

On 26 June 2019, the Company as borrower accepted the facility letter (the "1st Facility Agreement") relating to a revolving loan facility of up to RMB1,000,000,000 (the "1st Facility") offered by a bank as lender. The 1st Facility is subject to annual review by the lender.

On 11 May 2023, the Company as borrower accepted a facility letter (the "2nd Facility Agreement") relating to a revolving loan facility of up to HK$500,000,000 (or its equivalent amount in RMB) (the "2nd Facility") offered by a bank as lender. The term of the 2nd Facility is 3 years.

On 12 May 2023, the Company as borrower accepted a facility letter (the "3rd Facility Agreement") relating to a term loan facility of HK$1,000,000,000 (the "3rd Facility") offered by a bank as lender. The term of the 3rd Facility is 3 years.

On 16 May 2023, the Company as borrower entered into a facility agreement (the "4th Facility Agreement") with certain banks as lenders relating to a term loan facility of HK$3,500,000,000 (the "4th Facility"). The term of the 4th Facility is 3 years.

Other Information

On 5 February 2024, the Company as borrower accepted a facility letter (the "5th Facility Agreement") relating to a term loan facility of HK$1,000,000,000 (or its equivalent in US$) (the "5th Facility") offered by a bank as lender. The term of the 5th Facility is 3 years.

On 6 February 2024, the Company as borrower accepted a facility letter (the "6th Facility Agreement") relating to a term loan facility of HK$300,000,000 (or its equivalent in RMB) (the "6th Facility") offered by a bank as lender. The term of the 6th Facility is 3 years.

On 24 April 2024, the Company as borrower accepted a facility letter (the "7th Facility Agreement") relating to a term loan facility of US$100,000,000 (or its equivalent in HK$) (the "7th Facility") offered by a bank as lender. The term of the 7th Facility is 3 years.

On 3 July 2024, the Company as borrower accepted a facility letter (the "8th Facility Agreement") relating to a revolving loan facility of HK$1,000,000,000 (the "8th Facility") offered by a bank as lender. The term of the 8th Facility is 3 years.

On 16 September 2024, the Company as borrower entered into a facility agreement (the "9th Facility Agreement") relating to a term loan facility of up to HK$2,000,000,000 (the "9th Facility") offered by a bank as lender. The term of the 9th Facility is 36 months.

On 20 March 2025, the Company as borrower entered into a facility agreement (the "10th Facility Agreement") with certain banks as lenders for a HK$4,000,000,000 term loan facility (the "10th Facility") for a term of up to 3 years.

On 20 March 2026, the Company as borrower entered into a facility agreement (the "11th Facility Agreement") with certain banks as lenders for a HK$3,200,000,000 term loan facility (the "11th Facility") for a term of up to 3 years.

On 24 March 2026, the Company as borrower entered into a facility agreement (the "12th Facility Agreement") with a bank as lender for a RMB800,000,000 (or its equivalent in HK$) term loan facility (the "12th Facility") for a term of up to 3 years.

On 30 June 2026, the Company as borrower entered into three facility agreements (the "13th Facility Agreement", "14th Facility Agreement" and "15th Facility Agreement", respectively) with three banks as lenders in respect of term loan facilities in an aggregate principal amount of HK$1,300,000,000, comprising (i) a term loan facility of up to HK$700,000,000; and (ii) two term loan facilities of HK$300,000,000 each (the "13th Facility", "14th Facility" and "15th Facility", respectively), each for a term of up to 3 years.

On 30 June 2026, in relation to the 7th Facility, the Company as borrower entered into a supplemental agreement (the "1st Supplemental Agreement") with the relevant bank, pursuant to which, the 7th Facility Agreement was revised to include an additional event of default.

On 8 July 2026, in relation to the 10th Facility, the Company as borrower entered into a supplemental agreement (the"2nd Supplemental Agreement") with the relevant bank, pursuant to which, the 10th Facility Agreement was revised to include an additional event of default.

On 31 July 2026, the Company as borrower entered into a facility agreement (the "16th Facility Agreement") with a bank as lender for a HK$400,000,000 term loan facility (the "16th Facility") for a term of up to 3 years.

On 31 July 2026, in relation to the 6th Facility, the Company as borrower entered into a supplemental agreement (the"3rd Supplemental Agreement") with the relevant bank, pursuant to which, the 6th Facility Agreement was revised to include an additional event of default.

The 1st, 2nd and 3rd Supplemental Agreement, together with the 1st Facility Agreement, 2nd Facility Agreement, 3rd Facility Agreement, 4th Facility Agreement, 5th Facility Agreement, 6th Facility Agreement, 7th Facility Agreement, 8th Facility Agreement, 9th Facility Agreement, 10th Facility Agreement, 11th Facility Agreement, 12th Facility Agreement, 13th Facility Agreement, 14th Facility Agreement, 15th Facility Agreement and 16th Facility Agreement, are collectively referred to as the "Facility Agreements and Supplemental Agreements".

Under each of the Facility Agreements and Supplemental Agreements, it will be an event of default if Shum Yip Holdings Company Limited ceases to own beneficially at least 35% of the issued share capital of the Company, ceases to be the single largest shareholder of the Company, ceases to have management control of the Company, or ceases to remain beneficially owned as to at least 51% by the Shenzhen Municipal People's Government of the People's Republic of China. For the 11th Facility Agreement, 12th Facility Agreement, 13th Facility Agreement, the 1st Supplemental Agreement (refers to the 7th Facility Agreement), the 2nd Supplemental Agreement (refers to the 10th Facility Agreement) and the 3rd Supplemental Agreement (refers to the 6th Facility Agreement), it will also be an event of default if the aggregate principal amount of all shareholder's loan granted by any direct or indirect shareholder to the Company and any other member of the Group (including any such shareholder's loan being converted into equity of such member of the Group at any time after the date of the agreement) shall be less than HK$14,000,000,000 (or its equivalent in another currency or currencies) during the life of the respective facility. And, at any time after the happening of an event of default, all sum payable under the facilities may become immediately due and payable.

As at 30 June 2026, all advances made under the 2nd and 4th Facility Agreements had been fully repaid.

2. Pursuant to Rule 13.51B(1) of the Listing Rules

Mr. LI Wai Keung, an independent non-executive Director, resigned as an independent non-executive director of Legend Upstar Holdings Limited (formerly known as Midland IC&I Limited, the shares of which were withdrawn from listing on the Main Board of the Stock Exchange on 30 March 2026) with effect from 31 March 2026. Mr. LI was also appointed as an independent non-executive director of Midland Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1200), with effect from 20 April 2026.

Dr. XIANG Dong, an executive Director, resigned as a non-independent director of Shenzhen Yantian Port Holdings Co., Ltd., a company listed on the Shenzhen Stock Exchange (stock code: 000088.SZ) on 31 July 2026.

The Company entered into a letter of appointment with Ms. CAI Xun, an executive Director, for a term of 3 years commencing on 27 August 2026, subject to retirement by rotation and re-election in accordance with the articles of association of the Company.

With effect from 27 August 2026, Mr. WANG Yuwen, an executive Director, was appointed as the chairman of the Sustainability Committee of the Company, and Mr. YAN Zhongyu, an executive Director, and Prof. GONG Peng, an independent non-executive Director, were appointed as members of the Sustainability Committee.

Save as disclosed above, there has been no other change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the latest annual report of the Company.

Review of Financial Information

The Audit Committee of the Company has reviewed the accounting principles and practices adopted by the Group and the unaudited condensed consolidated financial information of the Group for the six months ended 30 June 2026.

深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

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