



Oriental Explorer Holdings Limited **東方興業控股有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 0430)

A photograph of a modern, two-story building with large windows and a swimming pool in the foreground. The pool has a waterfall feature and is surrounded by lush greenery and a paved area. A yellow bicycle is parked on the grass in the foreground.

INTERIM REPORT
2026

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Lau Chi Yung, Kenneth (*Chairman*)
Mr. Lau Michael Kei Chi
(*Vice-Chairman and Managing Director*)
Ms. Leung Wei San Saskia

Independent Non-executive Directors

Mr. Tsui Ka Wah
Mr. Lo Kam Cheung, Patrick
Mr. Lo Mun Lam, Raymond
Mr. Ng Sing Yip

AUDIT COMMITTEE

Mr. Lo Kam Cheung, Patrick (*Chairman*)
Mr. Lo Mun Lam, Raymond
Mr. Tsui Ka Wah
Mr. Ng Sing Yip

REMUNERATION COMMITTEE

Mr. Tsui Ka Wah (*Chairman*)
Mr. Lau Chi Yung, Kenneth
Mr. Lau Michael Kei Chi
Ms. Leung Wei San Saskia
Mr. Lo Kam Cheung, Patrick
Mr. Lo Mun Lam, Raymond
Mr. Ng Sing Yip

NOMINATION COMMITTEE

Mr. Lau Chi Yung, Kenneth (*Chairman*)
Mr. Lau Michael Kei Chi
Ms. Leung Wei San Saskia
Mr. Tsui Ka Wah
Mr. Lo Kam Cheung, Patrick
Mr. Lo Mun Lam, Raymond
Mr. Ng Sing Yip

COMPANY SECRETARY

Mr. Wong Ka Chun

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of Communications (Hong Kong) Limited
Hong Leong Bank Berhad

SOLICITORS

Wong & Tang Solicitors

AUDITOR

Beijing Xinghua Caplegend CPA Limited
Certified Public Accountants
and Registered Public Interest Entity Auditor
1/F, GR8 Inno Tech Centre
46 Tsun Yip Street
Kwun Tong
Hong Kong

REGISTERED OFFICE

Richmond House
12 Par-la-Ville Road
Hamilton HM 08
Bermuda

PRINCIPAL PLACE OF BUSINESS

Units 22-28, 25/F
Tower A, Southmark
11 Yip Hing Street
Wong Chuk Hang
Hong Kong

PRINCIPAL SHARE REGISTRAR & TRANSFER OFFICE

Appleby Global Corporate Services (Bermuda) Limited
Canon's Court, 22 Victoria Street
PO Box HM 1179, Hamilton HM EX
Bermuda

HONG KONG BRANCH SHARE REGISTRAR & TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

INTERIM RESULTS

The board of directors (the “Board”) of Oriental Explorer Holdings Limited (the “Company”) announces the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2026, together with the comparative figures as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

		For the six months ended 30 June	
		2026	2025
	Notes	HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
REVENUE	3	10,650	12,660
Cost of services provided		<u>(3,176)</u>	<u>(3,003)</u>
Gross profit		7,474	9,657
Other income and gains	3	1,479	766
Fair value changes on equity investments at fair value through profit or loss, net		(1)	(16)
Operating and administrative expenses		(2,329)	(2,787)
Finance costs	5	<u>(2,987)</u>	<u>(2,497)</u>
PROFIT BEFORE TAX	4	3,636	5,123
Income tax expense	6	<u>(547)</u>	<u>(836)</u>
PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY		<u>3,089</u>	<u>4,287</u>
EARNINGS PER SHARE			
Basic and diluted	8	<u>HK0.80 cent</u>	<u>HK1.10 cents</u>

Details of interim dividend are disclosed in Note 7.

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

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	3,089	4,287
OTHER COMPREHENSIVE INCOME	—	—
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY	3,089	4,287

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

		As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment		36	39
Investment properties		1,130,340	1,130,340
Right-of-use assets		311	315
Club debenture		330	330
Investment accounted for using the equity method		—*	—*
Total non-current assets		<u>1,131,017</u>	<u>1,131,024</u>
CURRENT ASSETS			
Amount due from investment accounted for using the equity method	9	26,818	21,211
Trade receivables	10	379	271
Prepayments, deposits and other receivables		1,600	1,645
Equity investments at fair value through profit or loss		26	27
Cash and cash equivalents	11	14,067	84,815
Total current assets		<u>42,890</u>	<u>107,969</u>
CURRENT LIABILITIES			
Other payables and accruals		12,794	13,480
Interest-bearing bank borrowing	12	150,000	—
Amounts due to fellow subsidiaries	13	33,180	248,112
Tax payable		1,965	1,417
Total current liabilities		<u>197,939</u>	<u>263,009</u>
NET CURRENT LIABILITIES		<u>(155,049)</u>	<u>(155,040)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>975,968</u>	<u>975,984</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities		29,039	29,039
Total non-current liabilities		<u>29,039</u>	<u>29,039</u>
NET ASSETS		<u>946,929</u>	<u>946,945</u>
EQUITY			
Equity attributable to owners of the Company			
Share capital	14	38,818	38,818
Reserves		908,111	908,127
TOTAL EQUITY		<u>946,929</u>	<u>946,945</u>

* Less than HK\$1,000

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company					Total equity HK\$'000 (Unaudited)
	Share capital HK\$'000 (Unaudited) (Note 14)	Share premium account HK\$'000 (Unaudited)	Capital redemption reserve HK\$'000 (Unaudited)	Exchange fluctuation reserve HK\$'000 (Unaudited)	Retained profits HK\$'000 (Unaudited)	
At 1 January 2025	38,818	579,126	546	100	807,429	1,426,019
Profit for the period	–	–	–	–	4,287	4,287
Final 2024 dividend paid	–	–	–	–	(2,329)	(2,329)
At 30 June 2025	<u>38,818</u>	<u>579,126</u>	<u>546</u>	<u>100</u>	<u>809,387</u>	<u>1,427,977</u>
At 1 January 2026	38,818	579,126	546	101	328,354	946,945
Profit for the period	–	–	–	–	3,089	3,089
Final 2025 dividend paid	–	–	–	–	(3,105)	(3,105)
At 30 June 2026	<u>38,818</u>	<u>579,126</u>	<u>546</u>	<u>101</u>	<u>328,338</u>	<u>946,929</u>

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

For the six months ended 30 June

2026

2025

Note

HK\$'000

HK\$'000

(Unaudited)

(Unaudited)

NET CASH INFLOW FROM OPERATING ACTIVITIES		4,995	6,745
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES		(4,864)	30
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		<u>(70,879)</u>	<u>(2,219)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(70,748)	4,556
Cash and cash equivalents at beginning of the period		<u>84,815</u>	<u>8,167</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		<u><u>14,067</u></u>	<u><u>12,723</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	11	<u>14,067</u>	<u>12,723</u>
Cash and cash equivalents		<u><u>14,067</u></u>	<u><u>12,723</u></u>

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

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited interim condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The accounting policies and basis of preparation used in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2025 except as noted below.

In the current period, the Group has applied, for the first time, the following amendments issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 January 2026.

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

These amendments do not have an impact on the interim condensed consolidated financial statements of the Group.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one (2025: one) reportable operating segment which is the property investment segment that mainly comprises rental income from investment properties and therefore no further discrete financial information nor analysis of this single segment is presented.

Geographical information

Revenue from external customers:

	For the six months ended 30 June	
	2026	2025
	HK\$’000	HK\$’000
	(Unaudited)	(Unaudited)
Hong Kong	10,635	12,636
Mainland China	15	24
	<u>10,650</u>	<u>12,660</u>

The revenue information of operations above is based on the locations of the customers.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2. OPERATING SEGMENT INFORMATION *(continued)*

Information about a major customer

Revenue from an external customer which accounted for 10% or more of the total revenue of the Group is as follows:

	For the six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Customer A ¹	1,235	N/A ¹

⁽¹⁾ During the six months ended 30 June 2025, there was no customer whose rental income accounted for 10% or more of the total revenue of the Group.

3. REVENUE, OTHER INCOME AND GAINS

	For the six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<i>Revenue from other sources</i>		
Rental income from property letting under fixed lease payments	10,650	12,660
<i>Other income and gains</i>		
Interest income on bank deposits	120	30
Interest income from amount due from investment accounted for using the equity method	623	361
Others	736	375
	1,479	766

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	For the six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	3	3
Depreciation of right-of-use assets	4	4
Employee benefits expense (including directors' and chief executive's remuneration):		
Salaries, wages and other benefits	1,354	1,293
Pension scheme contributions (defined contribution scheme)	59	55
Total staff costs	1,413	1,348

5. FINANCE COSTS

	For the six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest on bank loan	759	—
Interest on loan from a fellow subsidiary	2,228	2,497
	2,987	2,497

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6. INCOME TAX

The provision for Hong Kong Profits Tax for the six months ended 30 June 2026 is calculated at 16.5% of the estimated assessable profits for the period, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rates regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	For the six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax – Hong Kong		
Charge for the period	547	839
Over-provision in prior years	<u>–</u>	<u>(3)</u>
Total tax charge for the period	<u>547</u>	<u>836</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

7. DIVIDENDS

- (a) Dividend recognised as distribution during the period:

	For the six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Final dividend for 2025 paid – HK0.8 cent (2025: 2024 final dividend of HK0.6 cent) per ordinary share	3,105	2,329

- (b) Dividend declared after the end of the reporting period:

	For the six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interim dividend declared – HK0.6 cent (2025: HK0.8 cent) per ordinary share	2,329	3,105

The Board declared an interim dividend of HK0.6 cent per ordinary share at the meeting held on 27 August 2026. Dividend warrants will be posted on or about 22 October 2026 to shareholders whose names appear on the register of members of the Company on 25 September 2026.

The above interim dividend was declared after the interim reporting dates and has not been recognised as liabilities at the end of the respective reporting periods.

8. EARNINGS PER SHARE

The calculation of basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the Company of approximately HK\$3,089,000 (2025: HK\$4,287,000), and the weighted average number of ordinary shares of 388,183,600 in issue during the period (2025: 388,183,600 shares).

The diluted earnings per share is equal to the basic earnings per share as there were no potential dilutive ordinary shares in issue for the six months ended 30 June 2026 and 2025.

9. AMOUNT DUE FROM INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

As at 30 June 2026 and 31 December 2025, amount due from investment accounted for using the equity method is unsecured, interest-bearing at average lending rate of Bank Negara Malaysia and repayable on demand.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10. TRADE RECEIVABLES

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Trade receivables	379	271

Trade receivables mainly consist of rental receivables, the tenants are usually required to settle the rental payments on the first day of the rental period, and are required to pay rental deposits with amount ranging from two to three months' rentals in order to secure any default in their rental payments. The Group does not hold any collateral or other credit enhancements over its trade receivables balances.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice dates and net of loss allowance, is as follows:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Within 1 month	251	140
1 to 2 months	—	3
2 to 3 months	—	—
3 to 12 months	—	—
Over 1 year	128	128
	379	271

11. CASH AND CASH EQUIVALENTS

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Cash and bank balances	14,067	84,815
Cash and cash equivalents	14,067	84,815

Cash at banks earns interest at floating rates based on daily bank deposit rates.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. INTEREST-BEARING BANK BORROWING

As at 30 June 2026			
	Contractual interest rate (%)	Maturity	HK\$'000 (Unaudited)
Current liabilities			
Secured bank loans denominated in Hong Kong dollars	HIBOR plus 0.5	2027-2033 or on demand	150,000

The scheduled principal repayment dates of the Group with reference to the loan agreements and ignore the effect of any repayment on-demand clause are as follows:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year	3,000	—
In the second year	3,000	—
In the third to fifth years, inclusive	9,000	—
After five years	135,000	—
	<u>150,000</u>	<u>—</u>

The Group's bank loans are secured by:

- (i) mortgages over the Group's certain investment properties situated in Hong Kong, which had an aggregate carrying value at the end of the reporting period of approximately HK\$426,000,000 (31 December 2025: no bank loans secured by mortgages over investment properties); and
- (ii) an intermediate holding company of the Company has guaranteed certain of the Group's bank loans up to HK\$180,000,000 (31 December 2025: Nil) as at the end of the reporting period.

13. AMOUNTS DUE TO FELLOW SUBSIDIARIES

As of 30 June 2026, the Group has an outstanding balance due to its fellow subsidiaries amounting to approximately HK\$33,180,000 (31 December 2025: HK\$248,112,000). The amounts due to fellow subsidiaries are unsecured, interest-free and repayable on demand (31 December 2025: HK\$144,000,000 are unsecured, interest-bearing at HIBOR plus 1.05% and repayable within one year while the remaining balances are unsecured, interest-free, and repayable on demand).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. SHARE CAPITAL

Shares

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Authorised:		
2,000,000,000 ordinary shares of par value HK\$0.1 each	<u>200,000</u>	<u>200,000</u>
Issued and fully paid:		
388,183,600 ordinary shares of par value HK\$0.1 each	<u>38,818</u>	<u>38,818</u>

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in Note 15.

15. SHARE OPTION SCHEME

The Company's share option scheme currently in force (the "2023 Scheme") was adopted pursuant to an ordinary resolution passed on 25 May 2023 for the purpose of, among others, providing incentives and rewards to any eligible person who contributes to the success of the business of the Group.

Under the 2023 Scheme, directors of the Company may, at their absolute discretion and subject to the terms of the 2023 Scheme, grant share options to any director and employee (full-time or part-time) of the Company, its subsidiaries, holding companies, fellow subsidiaries and associated companies, and certain persons who provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business and permitted under the Listing Rules. The eligibility of a person to participate in the 2023 Scheme shall be determined by the directors of the Company from time to time on a case-by-case basis.

The maximum number of shares of the Company available for issue upon the exercise of all share options granted and to be granted under the 2023 Scheme is limited to 38,818,360 shares, which represents 10% of the issued shares of the Company as at the date of adoption of the 2023 Scheme.

No grant of share options under the 2023 Scheme shall result in the number of shares of the Company issued and to be issued in respect of all share options granted and to be granted (including options exercised, cancelled and outstanding) to any person in the 12-month period up to and including the relevant time of grant exceeding 1% of the total number of shares of the Company in issue at the relevant time of grant, unless such grant has been approved by the shareholders of the Company in a general meeting, at which the relevant grantee and his/her close associates (or his/her associates if the grantee is a connected person of the Company) must abstain from voting.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. SHARE OPTION SCHEME *(continued)*

The grant of share options to a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive directors of the Company (excluding any independent non-executive director who is a prospective grantee of the share options).

Where the grant of share options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the total number of shares of the Company issued and to be issued upon exercise of all options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the relevant time of grant exceeding 0.1% of the shares of the Company in issue, such grant must be approved by the shareholders of the Company in a general meeting, at which the relevant grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour.

Share options granted under the 2023 Scheme are subject to a vesting period of not less than 12 months, save for the circumstances in which a shorter vesting period is permitted under the 2023 Scheme. Upon vesting, the share options may be exercised in whole or in part by the grantee at any time during the exercise period determined by the Board and notified to the grantee, and in any event such exercise period shall not be more than 10 years commencing on the date on which an offer of the grant of share options is made to the grantee.

The subscription price in respect of share options granted under the 2023 Scheme shall be a price determined by the Board and notified to a grantee and shall be at least the higher of: (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the offer date, which must be a day on which the Stock Exchange is open for the business of dealing in securities ("Business Day"); (ii) the average closing prices of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the 5 Business Days immediately preceding the offer date; and (iii) the nominal value of the Company's shares on the offer date.

The 2023 Scheme shall be valid and effective for a period of ten years commencing on 25 May 2023 and expiring on 24 May 2033, subject to early termination provisions contained in the 2023 Scheme.

No share options have been granted under the 2023 Scheme since its adoption. Accordingly, no share options were exercised, cancelled or lapsed during the reporting period. The number of shares that may be issued in respect of options and awards granted under all share schemes of the Company during the reporting period divided by the weighted average number of shares of the Company in issue (excluding treasury shares) for the reporting period was 0%.

As at 30 June 2026, there were 38,818,360 share options available for grant under the 2023 Scheme (1 January 2026: 38,818,360) and 3,881,836 share options available for grant under the service provider sublimit of the 2023 Scheme (1 January 2026: 3,881,836).

As at the date of this report, the total number of shares of the Company available for issue under the 2023 Scheme is 38,818,360 shares, representing 10% of the issued shares of the Company on that date.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

16. LEASE

(a) The Group as a lessor

The Group leases its investment properties under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the reporting period was approximately HK\$10,650,000 (six months ended 30 June 2025: HK\$12,660,000), details of which are included in Note 3.

As at 30 June 2026 and 31 December 2025, the undiscounted lease payments receivable by the Group in the future periods under non-cancellable operating leases with its tenants are as follows:

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Within one year	15,356	16,263
After one year but within two years	6,467	5,843
After two years but within three years	2,341	948
	<u>24,164</u>	<u>23,054</u>

(b) The Group as a lessee

The amounts recognised in profit or loss in relation to leases are as follows:

	For the six months ended 30 June 2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Depreciation charge of right-of-use assets	4	4
Expense relating to short-term leases	120	450
Total amount recognised in profit or loss	<u>124</u>	<u>454</u>

The Group regularly entered into short-term leases for office premises. The Group does not recognise right-of-use assets and lease liabilities in regard of these short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease terms. There is no renewal options and variable lease payments included in the lease agreement.

During the six months ended 30 June 2026, total cash outflow for leases amounted to approximately HK\$120,000 (six months ended 30 June 2025: HK\$450,000).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

17. RELATED PARTY TRANSACTIONS

A summary of related party transactions is set out below:

(a) Transactions with related parties

	For the six months ended 30 June	
	2026	2025
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Entities controlled by Mr. Lau Chi Yung, Kenneth, an executive director		
– Management fee income (<i>Note</i>)	120	120
– Rental income	300	–
Fellow subsidiaries		
– Interest expenses on loan from a fellow subsidiary	2,228	2,497
– Management fee expenses	42	42
– Rental expenses	120	450
Joint venture		
– Interest income	623	361

Note: The above transactions with related parties were administrative services fee shared on a cost basis mutually agreed between the relevant parties.

(b) Outstanding balances with related parties

- (i) Details of amount due from investment accounted for using the equity method as at the end of the reporting period are included in Note 9.
- (ii) Details of amounts due to fellow subsidiaries as at the end of the reporting period are included in Note 13.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

17. RELATED PARTY TRANSACTIONS *(continued)*

(c) Compensation of key management personnel of the Group

Key management includes directors. The compensation paid or payable to key management for employee services is shown below:

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Fees	192	192
Basic salaries, bonuses, other allowances and benefits in kind	—	—
Pension costs – defined contribution plan	—	—
	<u>192</u>	<u>192</u>

18. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements were approved and authorised for issue by the Board on 27 August 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

Property investment

The Group's investment properties mainly comprise offices, industrial and residential units and car parking spaces in Hong Kong. These investment properties contributed rental revenue of approximately HK\$10.7 million for the six months ended 30 June 2026 (2025: HK\$12.7 million). The decrease in rental revenue was mainly attributable to the weakened market demand and intensified competition in the office and industrial property leasing markets, which resulted in lower occupancy rates for the relevant properties held by the Group.

FINANCIAL REVIEW

During the six months ended 30 June 2026, the Group recorded a decrease in profit of approximately HK\$1.2 million or 28% to approximately HK\$3.1 million (2025: HK\$4.3 million). The decline in profit was mainly due to the decrease in rental revenue of approximately HK\$2.0 million or 16% to HK\$10.7 million during the period under reporting (2025: HK\$12.7 million).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

The Group did not have any material acquisitions or disposals of subsidiaries, associated companies and joint ventures during the six months ended 30 June 2026.

FOREIGN CURRENCY EXPOSURE

The Group is currently not exposed to any material foreign exchange risks as most of the monetary assets and liabilities are denominated in Hong Kong dollars. The management will consider suitable hedging instruments against significant currency exposure should the need arises.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows and an interest-bearing bank borrowing. The Group's cash and cash equivalents as of 30 June 2026 amounted to approximately HK\$14.1 million (31 December 2025: HK\$84.8 million).

As of 30 June 2026, amounts due to fellow subsidiaries amounted to approximately HK\$33.2 million (31 December 2025: HK\$248.1 million), while the interest-bearing bank borrowing amounted to approximately HK\$150.0 million (31 December 2025: Nil).

The Group's gearing ratio, calculated by dividing the aggregate amount of interest-bearing bank borrowing and amounts due to fellow subsidiaries by total equity, was approximately 19% as at 30 June 2026 (31 December 2025: 26%).

CHARGES ON GROUP ASSETS

Details of the changes on the Group's assets are set out in Note 12 to the unaudited condensed consolidated financial statements.

COMMITMENTS AND CONTINGENT LIABILITIES

As of 30 June 2026, the Group had no material commitments and contingent liabilities.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events which may materially affect the Group's operations and financial performance subsequent to 30 June 2026 and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICY

As of 30 June 2026, the Group had 8 employees in Hong Kong. During the period, the staff costs (including directors' emoluments) amounted to approximately HK\$1.4 million (2025: HK\$1.3 million).

The objective of the Group's remuneration policy is to maintain fair and competitive packages based on business requirements and industry practice. In order to determine the level of remuneration paid to its employees (including directors and senior management), their performance, experience and the prevailing market condition are mainly considered. In addition to salaries, provident fund scheme, discretionary bonuses and tuition/training subsidies are available to employees. Level of remuneration is reviewed annually. During the review process, no individual director is involved in decisions relating to his own remuneration.

PROSPECT

The Group's residential property portfolio delivered stable performance during the first half of 2026, supported by steady occupancy levels and resilient rental demand, and is expected to remain broadly stable during the second half of the year. By contrast, the Group's commercial and industrial property portfolio performed below expectations during the reporting period, primarily due to subdued business expansion and intense competition, which placed downward pressure on rental rates and occupancy levels.

The Group will continue to monitor market developments closely and adjust its strategy accordingly to safeguard portfolio performance, and to adopt a prudent approach in evaluating new investment opportunities, with a view to enhancing returns to shareholders while having due regard to the associated risks, prevailing market conditions, and alignment with the Group's long-term strategic objectives.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As of 30 June 2026, the interests and short positions of the directors and the chief executive of the Company and each of their respective associates, in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

Long position in ordinary shares of the Company

Name of director	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of the Company %
Mr. Lau Chi Yung, Kenneth	Interest of controlled corporation	291,137,700*	75.00

Long position in ordinary shares of associated corporation – Multifield International Holdings Limited, an intermediate holding company of the Company

Name of director	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of associated corporation %
Mr. Lau Chi Yung, Kenneth	Interest of controlled corporation	559,411,142*	66.91

* The above shares are ultimately controlled by Power Resources Holdings Limited, which acts as the trustee under the Power Resources Discretionary Trust, a family discretionary trust, the discretionary objects of which include Mr. Lau Chi Yung, Kenneth and his family.

The interests of the directors in the share option scheme of the Company are disclosed in Note 15 to the unaudited condensed consolidated financial statements.

Other than certain nominee shares in subsidiaries held by a director in trust for the companies in the Group, no director held an interest in the share capital of the Company's subsidiaries during the six months ended 30 June 2026.

Save as disclosed above, as of 30 June 2026, none of the directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of SFO); or (ii) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) are required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

OTHER INFORMATION

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the Company and associated corporations" above and in the share option scheme disclosures in Note 15 to the unaudited condensed consolidated financial statements, at no time during the six months ended 30 June 2026 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as was known to the directors of the Company, as of 30 June 2026, the following interests of 5% or more in the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Long positions in ordinary shares of the Company

Name of shareholders	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of the Company %
Limitless Investment Limited	Directly beneficially owned	291,137,700 [#]	75.00
Multifield International Holdings (B.V.I.) Limited	Interest of controlled corporation	291,137,700 [#]	75.00
Multifield International Holdings Limited	Interest of controlled corporation	291,137,700 [#]	75.00
Lucky Speculator Limited	Interest of controlled corporation	291,137,700 [#]	75.00
Desert Prince Limited	Interest of controlled corporation	291,137,700 [#]	75.00
Power Resources Holdings Limited	Interest of controlled corporation	291,137,700 [#]	75.00

[#] Power Resources Holdings Limited was deemed to have a beneficial interest in 291,137,700 ordinary shares of the Company by virtue of its indirect interests in Lucky Speculator Limited, Desert Prince Limited, Multifield International Holdings Limited, Multifield International Holdings (B.V.I.) Limited and Limitless Investment Limited.

Save as disclosed above, as of 30 June 2026, so far as was known to the directors of the Company, no person, other than a director, whose interests are set out in the section "Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the Company and associated corporations" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

CLOSURE OF REGISTER OF MEMBERS

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

OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

REVIEW BY AUDIT COMMITTEE

The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the Group's unaudited interim results for the six months ended 30 June 2026.

CORPORATE GOVERNANCE CODE

In the opinion of the directors of the Company, the Company has applied the principles and complied with code provisions of the Corporate Governance Code (the "Code") as set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 June 2026, save as disclosed below.

Under code provision B.2.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Under the bye-laws of the Company, at each annual general meeting, one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation save any director holding office as chairman and managing director. The Board considers that the exemption of both the chairman and the managing director of the Company from such retirement by rotation provisions would provide the Group with strong and consistent leadership, efficient use of resources, effective planning, formulation and implementation of long-term strategies and business plans. The Board believes that it would be in the best interest of the Company for such directors to continue to be exempted from retirement by rotation provisions. The Company intends to propose any amendment of relevant bye-laws of the Company, if necessary, in order to ensure compliance with the Code.

Under code provision D.2.5, the Company should have an internal audit function. Given the Group's relatively simple corporate and operational structure, the Board considered that establishing a separate internal audit department would not be a cost-effective use of resources. Accordingly, the Company did not maintain a separate internal audit function during the period.

To perform the internal audit function, the Group engaged an external professional consultant to review its internal control systems on areas and scopes agreed with the audit committee. Taking into account the Group's organisational structure, management's close oversight and the work of the external consultant, the Board considered the Group's risk management and internal control systems to be adequate and effective. The Board will review the need for establishing an internal audit function on an ongoing basis.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

OTHER INFORMATION

PUBLICATION OF INTERIM REPORT

The interim report of the Company for 2026 containing all the information required by the Listing Rules has been published on the websites of the Company (www.irasia.com/listco/hk/orientalexplorer/index.htm) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

BOARD OF DIRECTORS

As of the date of this report, the executive directors of the Company are Mr. Lau Chi Yung, Kenneth, Mr. Lau Michael Kei Chi and Ms. Leung Wei San Saskia and the independent non-executive directors of the Company are Mr. Lo Mun Lam, Raymond, Mr. Lo Kam Cheung, Patrick, Mr. Tsui Ka Wah and Mr. Ng Sing Yip.

By Order of the Board
Lau Chi Yung, Kenneth
Chairman

Hong Kong, 27 August 2026