



**SHUN HO PROPERTY
INVESTMENTS LIMITED**
順豪物業投資有限公司
(Stock Code: 219)

Interim Report 2026

CORPORATE INFORMATION

Executive Directors

Mr. William CHENG Kai Man (*Chairman*)
Mr. Albert HUI Wing Ho
Madam Kimmy LAU Kam May
Madam NG Yuet Ying

Non-executive Director

Madam Mabel LUI FUNG Mei Yee

Independent Non-executive Directors

Mr. CHAN Kim Fai
Mr. LAM Kwai Cheung
Mr. Warren LIU Yuk Cho

Company Secretary

Madam KOO Ching Fan

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor
35th Floor, One Pacific Place
88 Queensway
Hong Kong

Solicitor

Withers
30th Floor
United Centre
95 Queensway
Hong Kong

Principal Bankers

The Hongkong and Shanghai Banking
Corporation Limited
Bank of China (Hong Kong) Limited

Registered Office

22nd Floor
633 King's Road
North Point, Hong Kong

Share Registrar

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong
Tel: 2980 1333

Company's Website

www.shunho.com.hk

INTERIM RESULTS

The board (the “Board”) of directors (the “Director(s)”) of Shun Ho Property Investments Limited (the “Company”) (together with its subsidiaries, the “Group”) announces that the net loss after tax attributable to owners of the Company for the six months ended 30th June, 2026 was HK\$45.9 million (six months ended 30th June, 2025: HK\$138.2 million), decreased by HK\$92.3 million (-67%).

INTERIM DIVIDEND

In deciding whether to distribute the interim dividend and its amount, the Board of directors of the Company has reviewed the Company’s adopted dividend policy and resolved not to declare the payment of interim dividend for the six months ended 30th June, 2026 (six months ended 30th June, 2025: Nil) for the following reasons:

- i) retain more cashflow as the Company’s income mainly comes from commercial buildings amid the challenging office market;
- ii) reduced cash flow from the Company’s major incomes from the commercial buildings, being 633 King’s Road and Shun Ho Tower, by 24% for the period compared with last year;
- iii) no cash dividend income received from Magnificent Hotel Investments Limited (“Magnificent Hotel”); and
- iv) retain cash to repay term loan expiring in 2027.

MANAGEMENT DISCUSSION AND ANALYSIS

During the period, the Group continued with its commercial property investment, property leasing and property development, and through its major subsidiaries continued with the hotel investments and hotel management.

The net loss after tax attributable to owners of the Company for the six months ended 30th June, 2026 was HK\$45.9 million (six months ended 30th June, 2025: HK\$138.2 million), decreased by HK\$92.3 million (-67%).

	Six months ended		
	30.6.2026	30.6.2025	Change
	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	
Profit from operation of hotels	34,276	9,353	+266%
Loss from property investment	(12,273)	(90,487)	-86%
– Profit	56,021	64,313	
– Revaluation loss	(68,294)	(154,800)	
Income from securities investments	50	25	+100%
Other income and expenses and gains and losses	2,580	2,416	+7%
	24,633	(78,693)	N/A
Administrative expenses	(32,587)	(30,223)	+8%
Finance costs	(16,981)	(23,855)	-29%
Income tax expense	(17,753)	(12,484)	+42%
Loss after taxation	(42,688)	(145,255)	-71%
Non-controlling interests	(3,254)	7,080	N/A
Loss after taxation and non-controlling interests	(45,942)	(138,175)	-67%

The overall decrease in loss for the six months ended 30th June, 2026 was mainly due to decrease in fair value of investment properties of HK\$68 million for 2026 Interim Period as compared to decrease in fair value of investment properties of HK\$155 million for 2025 Interim Period.

PERFORMANCE

1. Hotel Business

The income from hotel operations of the Group amounted to HK\$282 million (six months ended 30th June, 2025: HK\$268 million), increased by 5%.

The Group owns 71.09% of Magnificent Hotel (together with its subsidiaries, “Magnificent Hotel Group”) as its hotel investment subsidiary. The Group and Magnificent Hotel Group presently own nine hotels, including: (1) Ramada Hong Kong Grand View, (2) Ramada Hong Kong Harbour View, (3) Best Western Plus Hotel Kowloon, (4) Best Western Plus Hotel Hong Kong, (5) Ramada Hong Kong Grand, (6) Best Western Hotel Causeway Bay, (7) Grand Bay View Hotel, (8) Magnificent International Hotel, Shanghai and (9) Royal Scot Hotel in London. The nine hotels have about 3,042 guest rooms and the Group is one of the largest hotel groups in Hong Kong.

The net profit after tax attributable to owners of Magnificent Hotel for the six months ended 30th June, 2026 was HK\$14.4 million (loss for six months ended 30th June, 2025: HK\$15.2 million).

	Six months ended		
	30.6.2026	30.6.2025	Change
	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	
Profit from operation of hotels	31,771	8,631	+268%
Profit from property investment	27,478	20,380	+35%
Income from securities investments	50	25	+100%
Other income and gain and losses	1,839	1,615	+14%
	61,138	30,651	+99%
Administrative expenses	(20,869)	(22,205)	-6%
Finance costs	(12,002)	(17,177)	-30%
Income tax expense	(13,306)	(6,654)	+100%
Profit (loss) after taxation	14,961	(15,385)	N/A
Non-controlling interests	(563)	187	N/A
Profit (loss) after taxation and non-controlling interests	14,398	(15,198)	N/A

The overall increase in profit for the Magnificent Hotel Group for the six months ended 30th June, 2026 was mainly due to increase in revenue, and decrease in hotel operating costs, finance costs and revaluation loss.

During the period, the total income for the Magnificent Hotel Group increased by 5% from approximately HK\$258 million to approximately HK\$272 million compared with last period.

As at 30th June, 2026, an independent third-party valuation of Royal Scot Hotel, London was GBP88,700,000 (as at 31st December, 2025: GBP88,500,000). The rental income of Royal Scot Hotel, London for the period was GBP2,362,000 (six months ended 30th June, 2025: GBP2,362,000).

2. Commercial Properties Rental Income

The commercial properties rental income was derived from the hotel property in UK, Royal Scot Hotel in London, office buildings of Shun Ho Tower, 633 King's Road and shops from Best Western Plus Hotel Kowloon and Best Western Plus Hotel Hong Kong amounted to HK\$57 million (six months ended 30th June, 2025: HK\$66 million).

As at 30th June, 2026, the occupancy rates of the Hong Kong commercial properties of the Group are as follows:

Shun Ho Tower	93%
633 King's Road	78%

The rental income of these two commercial properties decreased from HK\$38 million to HK\$29 million compared with last period (-24%).

During the period, the **ADMINISTRATIVE EXPENSES** excluding depreciation was HK\$26.6 million (six months ended 30th June, 2025: HK\$28.1 million).

LIQUIDITY

As at 30th June, 2026, the **OVERALL DEBTS** of the Group including Magnificent Hotel Group was HK\$818 million (31st December, 2025: HK\$838 million). The gearing ratio of the Group (including Magnificent Hotel Group) in terms of overall debts against funds employed was 10% (31st December, 2025: 10%).

The Group's bank borrowings carry interest at floating rates and are mainly denominated in Hong Kong dollar and Pound Sterling. Accordingly, the Group exposes to exchange risk and the management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

As at 30th June, 2026, the Group had a total number of 644 employees (31st December, 2025: 572 employees). Remuneration and benefit were set with reference to the market.

BUSINESS HIGHLIGHTS

During the six months ended 30th June, 2026, the number of overnight visitors in Hong Kong amounted to around 11.5 million (30th June, 2025: 11.3 million) and against 29 million in 2018, among which 66% were mainland visitors and 34% were non-mainland visitors. Per-capita spending of mainland overnight visitors remained low at HK\$5,300 as compared to HK\$6,000 in 2019 pre-pandemic year. The pace of recovery of the tourism industry continues to be affected by declining per-capita spending of mainland visitors. The percentage of tourists spending overnights in Hong Kong in first six months continues to drop from 48% last year to 43% this year. This falling trend indicates that the neighbouring Shenzhen has more advantageous attractions such as tourism hardwares, prices, and service quality that attract tourists to stay overnights.

Throughout the period, the Group achieved an average hotel occupancy rate of over 90%. Compared with last period, the hotel income of the Group increased by 5% to HK\$282 million and the total income of the Group increased by 2% to HK\$339 million.

The Group acquired Wood Street Police Headquarter building in the centre of City of London for GBP40 million on 29th January, 2020 which has a gross internal area of 117,472 s.f. on a 20,000 s.f. island site and obtained planning consents approval to refurbish a deluxe hotel of about 216 guest rooms, restaurant, bar and facilities. Initial phase of works have commenced.

LOOKING AHEAD

The Group has nine income producing hotels, seven in Hong Kong, one in Shanghai, one in London, and the Wood Street Hotel refurbishment project in London.

With the weak economy of the PRC, more PRC tourists choose to stay in the Greater Bay area and visit Hong Kong on day trips. In addition, the negative effects of the ongoing Gulf War, which are causing travellers to cancel trips, together with the slowdown of the global economy and inflation driven by high energy prices, are expected to further dampen travel demand.

Most of the tenants at the Group's 633 King's Road office building and Shun Ho Tower are multinational trading companies. Due to the US/China trade war and downturn of Hong Kong's import/export volumes, those trading company tenants are experiencing difficulties and therefore the occupancies are being affected.

Future prospects of the hotel business and rental incomes may continue to be challenging and unstable. The management will keep its effort to increase incomes and control costs.

GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 15th June, 2026, an ordinary resolution was passed by the shareholders of the Company to grant a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue, and deal with additional shares (including any sale or transfer of treasury shares out of treasury) representing up to 10% of the total number of issued shares of the Company (excluding treasury shares, if any) as at the date of passing the resolution.

Based on 579,753,289 shares in issue on the date of passing the resolution, the Directors were authorized to issue up to 57,975,328 new shares under the general mandate. This mandate provides the Company with the flexibility to enhance the liquidity and public float of its shares when appropriate.

During the reporting period, no new shares had been issued or held in treasury pursuant to this general mandate.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

DIRECTORS' INTERESTS IN LISTED SECURITIES

As at 30th June, 2026, the interests or short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were required (a) to be entered in the register required to be kept by the Company under section 352 of the SFO; or (b) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) were as follows:

The Company

Name of director	Capacity	Nature of interests	Number of Shares/ underlying Shares held	Approximate % of shareholding
William Cheng Kai Man	Beneficial owner and interest of controlled corporations	Personal and corporate	385,395,999 (Note)	66.48

Note:

Omnico Company Inc. (“Omnico”), Mercury Fast Limited (“Mercury Fast”) and Trillion Resources Limited (a company incorporated in Hong Kong) (“Trillion Resources (HK)”) beneficially owned 281,904,489 shares of the Company (the “Shares”) (48.62%), 68,139,510 Shares (11.75%) and 33,642,000 Shares (5.80%) respectively. Mr. William Cheng Kai Man had controlling interests in these companies. In addition, Mr. William Cheng Kai Man beneficially owned 1,710,000 Shares (0.29%). All the above interests in the Shares are long position.

Associated Corporations

Name of director	Name of associated corporation	Capacity	Nature of interests	Number of Shares/ underlying Shares held	Approximate % of shareholding
William Cheng Kai Man	Magnificent Hotel (Note 1)	Interest of controlled corporations	Corporate	6,360,585,437	71.09
William Cheng Kai Man	Shun Ho Holdings Limited ("Shun Ho Holdings") (Note 2)	Beneficial owner and interest of controlled corporations	Personal and corporate	226,454,825	74.40
William Cheng Kai Man	Magnificent Assets Holdings Limited ("Magnificent Assets Holdings (BVI)") (Note 3)	Beneficial owner	Personal	2	100.00

Notes:

1. Magnificent Hotel, the Company's subsidiary, is a public limited company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange.
2. Shun Ho Holdings, the Company's holding company, is a public limited company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange.
3. Magnificent Assets Holdings (BVI), the Company's ultimate holding company, is a company incorporated in the British Virgin Islands.
4. All the above interests in the shares of the associated corporations are long position.

Save as disclosed above and save for shares in subsidiaries held by a director in trust for their immediate holding companies, as at 30th June, 2026, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be entered in the register required to be kept by the Company under Section 352 of the SFO; or (b) to be notified to the Company and the Stock Exchange pursuant to the Model Code and none of the directors or their associates or their spouse or children under the age of 18, had any right to subscribe for the securities of the Company or associated corporations, or had exercised any such right during the period.

SUBSTANTIAL SHAREHOLDERS

As at 30th June, 2026, the following persons (not being directors or chief executive of the Company) had interests in the Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of shareholder	Capacity	Number of Shares/ underlying Shares held	Approximate % of shareholding
Mercury Fast <i>(Note 1)</i>	Beneficial owner	68,139,510	11.75
Magnificent Hotel <i>(Note 1)</i>	Interest of controlled corporations	68,139,510	11.75
Omnico <i>(Note 2)</i>	Beneficial owner and interest of controlled corporations	350,043,999	60.38
Shun Ho Holdings <i>(Note 3)</i>	Interest of controlled corporations	383,685,999	66.18
Magnificent Assets Holdings (BVI) <i>(Note 3)</i>	Interest of controlled corporations	383,685,999	66.18
Trillion Resources (HK) <i>(Note 3)</i>	Beneficial owner	33,642,000	5.80
Liza Lee Pui Ling <i>(Note 4)</i>	Interest of spouse	385,395,999	66.48
Hashim Majed Hashim A. <i>(Note 5)</i>	Interest of controlled corporations	63,379,591	10.93
North Salomon Limited <i>(Note 5)</i>	Interest of controlled corporations	63,379,591	10.93
Saray Capital Limited <i>(Note 5)</i>	Interest of controlled corporations	63,379,591	10.93
Saray Value Fund SPC <i>(Note 5)</i>	Beneficial owner and interest in persons acting in concert	63,379,591	10.93
Hashim Ahmed Hashim A. <i>(Note 5)</i>	Beneficial owner and interest in persons acting in concert	63,379,591	10.93

Notes:

1. Mercury Fast was a wholly-owned subsidiary of Magnificent Hotel.
2. Omnico beneficially owned 281,904,489 Shares and was taken to be interested in 68,139,510 Shares held by Mercury Fast which was owned as to 100% by Magnificent Hotel, which was in turn owned as to 71.09% by the Group, the Company was in turn directly and indirectly owned as to 60.38% by Omnico.
3. Both Omnico and Trillion Resources (HK) were direct wholly-owned subsidiaries of Shun Ho Holdings, which was in turn directly and indirectly owned as to 71.20% by Magnificent Assets Holdings (BVI), which was in turn wholly-owned by Mr. William Cheng Kai Man. Since Trillion Resources (HK) beneficially owned 33,642,000 Shares (5.80%), Shun Ho Holdings and Magnificent Assets Holdings (BVI) were taken to be interested in 383,685,999 Shares (66.18%) by virtue of their direct or indirect interests in Omnico and Trillion Resources (HK).
4. Madam Liza Lee Pui Ling was deemed to be interested in 385,395,999 Shares (66.48%) by virtue of the interest in such Shares of her spouse, Mr. William Cheng Kai Man, a director of the Company.
5. Hashim Ahmed Hashim A. beneficially held 746,346 Shares. Saray Value Fund SPC (“Saray Value Fund”), a company indirectly controlled by Saray Capital Limited as to 100% and directly controlled by North Salomon Limited as to 67.4%, beneficially held 62,633,245 Shares. Since Hashim Ahmed Hashim A. and Saray Value Fund are concert parties to an agreement to buy shares under section 317(1)(a) of SFO, they are deemed to have interest in the Shares held by the other concert parties. Saray Capital Limited was held by Hashim Majed Hashim A. as to 50%. Therefore, the total number of Shares in which Hashim Ahmed Hashim A., Saray Value Fund, Saray Capital Limited, North Salomon Limited and Hashim Majed Hashim A. were interested under Section 317 and 318 of SFO was 63,379,591 Shares.

Save as disclosed above, there was no person, other than a director or chief executive of the Company, who has an interest or short position in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

INDEPENDENT REVIEW

The interim results for the six months ended 30th June, 2026 are unaudited, but have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants, by Deloitte Touche Tohmatsu, whose independent review report is included on pages 13 to 14 of this interim report. The interim results and the interim report 2026 have also been reviewed by the Group’s Audit Committee.

CORPORATE GOVERNANCE

(a) Compliance with the Corporate Governance Code

During the six months ended 30th June, 2026, the Company has complied with all applicable code provisions of the Corporate Governance Code set out in Appendix C1 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange with the exception of the following deviation:

Code Provision C.2.1: chairman and chief executive should not be performed by the same individual

The Company does not have separate appointments for the Chairman and the Chief Executive Officer. Mr. William Cheng Kai Man holds both positions. The Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same person enables the Company to have a stable and consistent leadership. It also facilitates planning and execution of the Company’s strategy and is hence, for the interests of the Company and its shareholders. It is also significantly cost-saving for Mr. Cheng, the Chairman to also serve as the Chief Executive Officer, which would have otherwise been recruited from the market at a heavy cost.

(b) Compliance with the Model Code

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by Directors. All Directors have confirmed, following specific enquiry by the Company, their compliance with the required standard set out in the Model Code throughout the period.

By Order of the Board

William CHENG Kai Man
Chairman

Hong Kong, 26th August, 2026

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF SHUN HO PROPERTY INVESTMENTS LIMITED

順豪物業投資有限公司

(incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Shun Ho Property Investments Limited (the “Company”) and its subsidiaries set out on pages 15 to 38, which comprise the condensed consolidated statement of financial position as of 30th June, 2026 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of total comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
26th August, 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30TH JUNE, 2026

		Six months ended 30th June, 2026 <i>HK\$'000</i> (Unaudited)	2025 <i>HK\$'000</i> (Unaudited)
	<i>NOTES</i>		
Revenue	3		
Contracts with customers		281,829	268,032
Leases		57,492	66,281
Dividend income		50	25
Total revenue		339,371	334,338
Cost of sales		(2,369)	(2,234)
Other service costs		(165,201)	(176,964)
Depreciation of property, plant and equipment		(81,041)	(81,065)
Depreciation of right-of-use asset		(413)	(384)
Gross profit		90,347	73,691
Net decrease in fair value of investment properties	10	(68,294)	(154,800)
Other income and expenses and gains and losses		2,580	2,416
Administrative expenses		(32,587)	(30,223)
– Depreciation		(6,023)	(2,127)
– Others		(26,564)	(28,096)
Finance costs	5	(16,981)	(23,855)
Loss before taxation		(24,935)	(132,771)
Income tax expense	6	(17,753)	(12,484)
Loss for the period	7	(42,688)	(145,255)
(Loss) profit for the period attributable to:			
Owners of the Company		(45,942)	(138,175)
Non-controlling interests		3,254	(7,080)
		(42,688)	(145,255)
		<i>HK cents</i>	<i>HK cents</i>
Loss per share	9		
Basic		(8.98)	(27.01)

CONDENSED CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30TH JUNE, 2026

	Six months ended 30th June,	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period	<u>(42,688)</u>	<u>(145,255)</u>
Other comprehensive income (expense)		
Items that will not be reclassified to profit or loss		
Fair value gain (loss) on investments in equity instruments at fair value through other comprehensive income ("FVTOCI")	3,702	(6,159)
Revaluation surplus regarding transfer from property, plant and equipment at cost to investment property at fair value	<u>27,961</u>	<u>—</u>
	<u>31,663</u>	<u>(6,159)</u>
Item that may be reclassified subsequently to profit or loss		
Exchange differences arising on translation of foreign operations	<u>(6,313)</u>	<u>121,222</u>
Other comprehensive income for the period	<u>25,350</u>	<u>115,063</u>
Total comprehensive expense for the period	<u><u>(17,338)</u></u>	<u><u>(30,192)</u></u>
Total comprehensive (expense) income attributable to:		
Owners of the Company	(19,836)	(56,378)
Non-controlling interests	<u>2,498</u>	<u>26,186</u>
	<u><u>(17,338)</u></u>	<u><u>(30,192)</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30TH JUNE, 2026

	NOTES	As at 30th June, 2026 HK\$'000 (Unaudited)	As at 31st December, 2025 HK\$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	4,494,318	4,581,934
Right-of-use asset		22,410	21,842
Investment properties	10	4,273,593	4,314,280
Equity instruments at FVTOCI	18	40,156	36,454
		<u>8,830,477</u>	<u>8,954,510</u>
CURRENT ASSETS			
Inventories		1,337	1,369
Trade and other receivables	11	11,568	17,549
Other deposits and prepayments		15,298	15,807
Bank balances and cash		351,907	267,664
		<u>380,110</u>	<u>302,389</u>
CURRENT LIABILITIES			
Trade and other payables and accruals	12	49,644	65,298
Rental and other deposits received		6,484	11,173
Contract liabilities		9,466	10,709
Amount due to an intermediate holding company	15	1,920	2,811
Amount due to a shareholder	15	5,088	5,088
Tax liabilities		18,869	9,810
Bank loans	13	313,200	113,200
		<u>404,671</u>	<u>218,089</u>
NET CURRENT (LIABILITIES)			
ASSETS		<u>(24,561)</u>	<u>84,300</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u><u>8,805,916</u></u>	<u><u>9,038,810</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

AT 30TH JUNE, 2026

	NOTES	As at 30th June, 2026 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2025 <i>HK\$'000</i> (Audited)
CAPITAL AND RESERVES			
Share capital	14	1,084,887	1,084,887
Reserves		<u>5,802,183</u>	<u>5,822,019</u>
Equity attributable to owners of the Company		6,887,070	6,906,906
Non-controlling interests		<u>1,220,602</u>	<u>1,218,104</u>
TOTAL EQUITY		<u>8,107,672</u>	<u>8,125,010</u>
NON-CURRENT LIABILITIES			
Bank loans	13	497,862	716,435
Rental deposits received		17,792	15,133
Deferred tax liabilities		<u>182,590</u>	<u>182,232</u>
		<u>698,244</u>	<u>913,800</u>
		<u>8,805,916</u>	<u>9,038,810</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30TH JUNE, 2026

	Attributable to owners of the Company											
	Share capital	Capital reserve	Property revaluation reserve	Securities revaluation reserve	General reserve	Foreign currency translation reserve	Own shares held by a subsidiary	Other reserve	Retained profits	Sub-total	Non-controlling interests	Total
	HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Note c)	HK\$'000 (Note d)	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st January, 2025 (audited)	1,084,887	4,181	50,832	(6,566)	263	(74,002)	(12,271)	498,660	5,480,428	7,026,412	1,196,376	8,222,788
Loss for the period	-	-	-	-	-	-	-	-	(138,175)	(138,175)	(7,080)	(145,255)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	86,176	-	-	-	86,176	35,046	121,222
Fair value loss on investments in equity instruments at FVTOCI	-	-	-	(4,379)	-	-	-	-	-	(4,379)	(1,780)	(6,159)
Total comprehensive (expenses) income for the period	-	-	-	(4,379)	-	86,176	-	-	(138,175)	(56,378)	26,186	(30,192)
At 30th June, 2025 (unaudited)	1,084,887	4,181	50,832	(10,945)	263	12,174	(12,271)	498,660	5,342,253	6,970,034	1,222,562	8,192,596
At 1st January, 2026 (audited)	1,084,887	4,181	50,832	(12,775)	263	(9,557)	(12,271)	498,660	5,302,686	6,906,906	1,218,104	8,125,010
(Loss) profit for the period	-	-	-	-	-	-	-	-	(45,942)	(45,942)	3,254	(42,688)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	(4,487)	-	-	-	(4,487)	(1,826)	(6,313)
Fair value gain on investments in equity instruments at FVTOCI	-	-	-	2,632	-	-	-	-	-	2,632	1,070	3,702
Revaluation surplus regarding transfer from property, plant and equipment at cost to investment property at fair value	-	-	27,961	-	-	-	-	-	-	27,961	-	27,961
Total comprehensive income (expenses) for the period	-	-	27,961	2,632	-	(4,487)	-	-	(4			

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30TH JUNE, 2026

	Six months ended 30th June,	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Operating activities		
Loss before taxation	(24,935)	(132,771)
Adjustments for:		
Net decrease in fair value of investment properties	68,294	154,800
Loss on disposal of property, plant and equipment	1	82
Depreciation of property, plant and equipment	87,064	83,192
Depreciation of right-of-use asset	413	384
Other non-cash items	14,918	22,368
Operating cash flows before movements in working capital	145,755	128,055
Decrease in trade and other payables and accruals	(14,763)	(9,977)
Decrease in contract liabilities	(1,243)	(970)
Decrease in rental and other deposits received	(2,030)	(871)
Decrease (increase) in other deposits and prepayments	509	(523)
Decrease in trade and other receivables	6,234	2,422
Decrease in inventories	32	61
Cash generated from operations	134,494	118,197
Hong Kong Profits Tax paid	(3,105)	(111)
Income tax paid in other jurisdictions	(5,441)	(4,881)
Net cash from operating activities	125,948	113,205
Investing activities		
Addition of property, plant and equipment	(9,952)	(3,123)
Interest received	1,810	1,502
Proceeds from disposal of property, plant and equipment	6	—
Net cash used in investing activities	(8,136)	(1,621)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Continued)
FOR THE SIX MONTHS ENDED 30TH JUNE, 2026

	Six months ended 30th June,	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Financing activities		
New bank loan raised	232,000	32,000
Repayment of bank loans	(248,477)	(160,483)
Interest paid	(17,850)	(24,820)
Repayment to an intermediate holding company	(913)	(721)
Repayment to a shareholder	—	(2,399)
Net cash used in financing activities	(35,240)	(156,423)
Net increase (decrease) in cash and cash equivalents	82,572	(44,839)
Cash and cash equivalents at the beginning of the period	267,664	234,982
Effect of foreign exchange rate changes	1,671	8,333
Cash and cash equivalents at the end of the period,		
represented by bank balances and cash	351,907	198,476

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH JUNE, 2026

1. BASIS OF PREPARATION

Shun Ho Property Investments Limited (the “Company”) is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

The Company’s immediate holding company is Omnico Company Inc., a wholly-owned subsidiary of Shun Ho Holdings Limited (“Shun Ho Holdings”, an intermediate holding company of the Company) which is a public limited company incorporated in Hong Kong whose shares are listed on the Hong Kong Stock Exchange. The directors of the Company consider the Company’s ultimate holding company to be Magnificent Assets Holdings Limited, an international business company incorporated in the British Virgin Islands.

The condensed consolidated financial statements are presented in Hong Kong Dollars (“HK\$”), which is also the functional currency of the Company. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are the investment and operation of hotels, property investment and securities investment.

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange.

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

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

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

1. BASIS OF PREPARATION (*Continued*)

The directors of the Company have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

2. PRINCIPAL ACCOUNTING POLICIES

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

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

The application of all amendments to HKFRS Accounting Standards issued by the HKICPA are disclosed below.

Application of amendments to HKFRS Accounting Standards

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

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

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

3. REVENUE

Revenue represents the aggregate of income from operation of hotels, property rental and dividend income, and is analysed as follows:

	Six months ended 30th June,	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Income from operation of hotels	281,829	268,032
Income from property rental	57,492	66,281
Dividend income	50	25
	<u>339,371</u>	<u>334,338</u>

Disaggregation of revenue for operation of hotels:

	Six months ended 30th June,	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Types of goods or services (time of revenue recognition):		
Room revenue and other ancillary services (recognised over time)	272,395	259,352
Food and beverage (recognised at a point in time)	9,434	8,680
	<u>281,829</u>	<u>268,032</u>
Geographical markets:		
Hong Kong	268,248	255,673
The People's Republic of China (the "PRC")	13,581	12,359
	<u>281,829</u>	<u>268,032</u>

4. SEGMENT INFORMATION

The Group's operating and reportable segments, based on information reported to the chief operating decision maker (the "CODM"), being the Chairman of the Company, for the purpose of resources allocation and performance assessment are as follows:

1. Hospitality services – Best Western Plus Hotel Kowloon
2. Hospitality services – Best Western Plus Hotel Hong Kong
3. Hospitality services – Magnificent International Hotel, Shanghai
4. Hospitality services – Best Western Hotel Causeway Bay
5. Hospitality services – Ramada Hong Kong Harbour View
6. Hospitality services – Ramada Hong Kong Grand
7. Hospitality services – Ramada Hong Kong Grand View
8. Hospitality services – Wood Street Hotel
9. Hospitality services – Grand Bay View Hotel
10. Property investment – 633 King's Road
11. Property investment – Shun Ho Tower
12. Property investment – Shops, hotel and residential properties
13. Securities investment

Information regarding the above segments is reported below.

4. SEGMENT INFORMATION (*Continued*)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment for both periods:

	Segment revenue		Segment results	
	Six months		Six months	
	ended 30th June,		ended 30th June,	
	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Hospitality services	281,829	268,032	34,276	9,353
– Best Western Plus Hotel Kowloon	27,710	26,944	(1,718)	(2,729)
– Best Western Plus Hotel Hong Kong	42,683	40,828	16,879	13,093
– Magnificent International Hotel, Shanghai	13,581	12,359	3,271	2,882
– Best Western Hotel Causeway Bay	26,033	24,526	2,026	(542)
– Ramada Hong Kong Harbour View	44,509	41,567	17,443	12,242
– Ramada Hong Kong Grand	43,256	40,515	6,217	1,181
– Ramada Hong Kong Grand View	37,926	36,794	5,135	3,352
– Grand Bay View Hotel	46,131	44,499	(14,977)	(20,126)
Property investments	57,492	66,281	(12,273)	(90,487)
– 633 King's Road	21,845	31,106	(36,345)	(90,642)
– Shun Ho Tower	6,760	6,925	(6,821)	(21,395)
– Shops, hotel and residential properties	28,887	28,250	30,893	21,550
Securities investments	50	25	50	25
	<u>339,371</u>	<u>334,338</u>	22,053	(81,109)
Other income and expenses and gains and losses			2,580	2,416
Administrative expenses			(32,587)	(30,223)
Finance costs			(16,981)	(23,855)
Loss before taxation			<u>(24,935)</u>	<u>(132,771)</u>

Segment results represent the loss from/profit earned by each segment without allocation of administrative costs, other income and expenses and gains and losses and finance costs. This is the measure reported to the CODM, for the purposes of resources allocation and performance assessment.

4. SEGMENT INFORMATION (*Continued*)

Segment revenue and results (*Continued*)

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales for both periods.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

	As at 30th June, 2026 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2025 <i>HK\$'000</i> (Audited)
Segment assets		
Hospitality services	4,333,935	4,413,112
– Best Western Plus Hotel Kowloon	240,034	251,207
– Best Western Plus Hotel Hong Kong	296,079	298,002
– Magnificent International Hotel, Shanghai	55,280	54,617
– Best Western Hotel Causeway Bay	241,977	248,311
– Ramada Hong Kong Harbour View	461,857	465,685
– Ramada Hong Kong Grand	505,068	519,792
– Ramada Hong Kong Grand View	835,637	846,409
– Wood Street Hotel	439,361	435,987
– Grand Bay View Hotel	1,258,642	1,293,102
Property investments	4,276,206	4,318,446
– 633 King's Road	2,335,194	2,393,934
– Shun Ho Tower	595,947	573,452
– Shops, hotel and residential properties	1,345,065	1,351,060
Securities investment	40,156	36,454
Total segment assets	8,650,297	8,768,012
Unallocated assets	560,290	488,887
Consolidated assets	9,210,587	9,256,899

4. SEGMENT INFORMATION (*Continued*)

Segment assets and liabilities (*Continued*)

	As at 30th June, 2026 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2025 <i>HK\$'000</i> (Audited)
Segment liabilities		
Hospitality services	35,784	48,686
– Best Western Plus Hotel Kowloon	4,346	5,615
– Best Western Plus Hotel Hong Kong	4,031	5,931
– Magnificent International Hotel, Shanghai	2,117	1,555
– Best Western Hotel Causeway Bay	3,609	6,297
– Ramada Hong Kong Harbour View	4,210	6,084
– Ramada Hong Kong Grand	4,561	7,204
– Ramada Hong Kong Grand View	4,308	5,967
– Grand Bay View Hotel	8,602	10,033
Property investments	42,376	47,110
– 633 King's Road	19,965	24,187
– Shun Ho Tower	6,045	6,263
– Shops, hotel and residential properties	16,366	16,660
Securities investment	<u>1</u>	<u>1</u>
Total segment liabilities	78,161	95,797
Unallocated liabilities	<u>1,024,754</u>	<u>1,036,092</u>
Consolidated liabilities	<u>1,102,915</u>	<u>1,131,889</u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments other than the Group's head office corporate assets (including certain property, plant and equipment), all bank balances and cash and certain other receivables and deposits; and
- all liabilities are allocated to operating and reportable segments other than the Group's head office corporate liabilities, amount due to an intermediate holding company, amount due to a shareholder, bank loans, tax liabilities and deferred tax liabilities.

5. FINANCE COSTS

	Six months ended 30th June,	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interests on:		
Bank loans	16,959	23,819
Amount due to an intermediate holding company (<i>note 15(a)</i>)	<u>22</u>	<u>36</u>
	<u>16,981</u>	<u>23,855</u>

6. INCOME TAX EXPENSE

	Six months ended 30th June,	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
The taxation expense comprises:		
Current tax:		
Hong Kong	11,616	9,410
The PRC	788	—
The United Kingdom (the “UK”)	<u>4,626</u>	<u>4,231</u>
	<u>17,030</u>	<u>13,641</u>
Underprovision in prior years:		
Hong Kong	—	111
The PRC	<u>365</u>	<u>—</u>
	<u>365</u>	<u>111</u>
	17,395	13,752
Deferred tax	<u>358</u>	<u>(1,268)</u>
	<u>17,753</u>	<u>12,484</u>

6. INCOME TAX EXPENSE (*Continued*)

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The annual tax rate used is 16.5% for the six months ended 30th June, 2026 (six months ended 30th June, 2025: 16.5%).

Taxation arising in the PRC and the UK are recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year prevailing in the relevant jurisdictions.

Deferred tax liabilities on the temporary differences attributable to the undistributed retained profit earned by the Company's PRC subsidiary amounted to HK\$200,000 (six months ended 30th June, 2025: HK\$275,000) were charged to profit or loss for the six months ended 30th June, 2026.

The Group is operating in certain jurisdictions where the Pillar Two Rules is enacted but not effective. However, as the Group's consolidated annual revenue is expected to be less than EUR750 million, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

7. LOSS FOR THE PERIOD

	Six months ended 30th June, 2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Loss for the period has been arrived at after charging (crediting) the following items:		
Depreciation of right-of-use asset	413	384
Depreciation of property, plant and equipment	87,064	83,192
Interest income from bank deposits (<i>Note</i>)	(2,063)	(1,487)
Loss on disposal of property, plant and equipment (<i>Note</i>)	<u>1</u>	<u>82</u>

Note: The amounts are included in other income and expenses and gains and losses.

8. DIVIDEND

During the six months ended 30th June, 2026 and 30th June, 2025, no dividend was declared and paid to shareholders for the year ended 31st December, 2025 and 31st December, 2024.

The directors have resolved not to declare an interim dividend for the six months ended 30th June, 2026 and 30th June, 2025.

9. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the period attributable to owners of the Company of HK\$45,942,000 (six months ended 30th June, 2025: HK\$138,175,000) and on 511,613,000 shares (six months ended 30th June, 2025: 511,613,000 shares) in issue during the period. The number of shares adopted in the calculation of the loss per share has been arrived at after eliminating the shares in the Company held by a subsidiary of the Company.

Diluted loss per share for both periods are not presented as there are no potential ordinary shares exist during both periods.

10. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the six months ended 30th June, 2026, the Group acquired property, plant and equipment of HK\$9,951,000 (six months ended 30th June, 2025: HK\$3,123,000).

The Group has disposed of property, plant and equipment with carrying amount of HK\$7,000 (six months ended 30th June, 2025: HK\$82,000), resulting in a loss on disposal of HK\$1,000 (six months ended 30th June, 2025: HK\$82,000).

10. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES (*Continued*)

At 30th June 2026, property, plant and equipment with an aggregate carrying amount of HK\$7,639,000 were transferred to investment properties as the Group began using these properties for leasing. The revaluation surplus regarding transfer is included in the property revaluation reserve.

Investment properties are stated at fair value based on the valuations performed by independent professional valuers which are not connected with the Group. The fair value is derived by using income approach to assess the market value of the investment properties. During the assessment of the fair values of investment properties, the valuers and the Directors of the Company have exercised their judgement and are satisfied that the method of valuation and the key inputs, including term yield, reversionary yield and market rent, are reflective of the current market conditions. If there are changes in the assumptions used for the valuations, the fair value of the investment properties will change in the future.

The resulting decrease in fair value of investment properties of HK\$68,294,000 (six months ended 30th June, 2025: HK\$154,800,000) has been recognised directly in profit or loss for the six months ended 30th June, 2026.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The income approach estimates the values of the properties on an open market basis by capitalising rental income on a fully leased basis having regard to the current passing rental income from existing tenancies and potential future reversionary income at the market level. The term value involves the capitalisation of the current passing rental income over the existing lease term. The reversionary value is taken to be current market rental income upon the expiry of the lease and is capitalised on a fully leased basis. In this approach, the Valuers have considered the term yield and reversionary yield. The term yield is used for capitalisation of the current passing rental income as at the date of valuation whilst the reversionary yield is used to convert reversionary rental income.

11. TRADE AND OTHER RECEIVABLES

	As at 30th June, 2026 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2025 <i>HK\$'000</i> (Audited)
Trade receivables from contracts with customers	5,038	10,626
Lease receivables	989	2,506
Other receivables	<u>5,541</u>	<u>4,417</u>
	<u>11,568</u>	<u>17,549</u>

Except for a credit period of 30 to 60 days granted to travel agencies and certain customers of the hotels, the Group does not allow any credit period to customers. The following is an aged analysis of the Group's trade receivables from contracts with customers and lease receivables presented based on the invoice date at the end of the reporting period:

	As at 30th June, 2026 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2025 <i>HK\$'000</i> (Audited)
Not yet due	5,918	12,737
Overdue:		
0 – 30 days	79	308
31 – 60 days	23	74
61 – 90 days	<u>7</u>	<u>13</u>
	<u>6,027</u>	<u>13,132</u>

12. TRADE AND OTHER PAYABLES AND ACCRUALS

	As at 30th June, 2026 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2025 <i>HK\$'000</i> (Audited)
Trade payables	4,277	4,179
Interest payables	602	1,495
Other payables	10,361	8,743
Legal and professional fee payables	3,245	3,746
Rental receipt in advance	11,554	11,568
Accrued staff costs	7,918	16,865
Other accruals	11,687	18,702
	<u>49,644</u>	<u>65,298</u>

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

	As at 30th June, 2026 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2025 <i>HK\$'000</i> (Audited)
0 – 30 days	4,269	4,167
31 – 60 days	8	5
61 – 90 days	–	7
	<u>4,277</u>	<u>4,179</u>

13. BANK LOANS

	As at 30th June, 2026 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2025 <i>HK\$'000</i> (Audited)
Secured bank loans	<u>811,062</u>	<u>829,635</u>
The carrying amounts of bank loans are repayable (based on scheduled repayment dates set out in the loan agreements):		
Within one year	33,200	33,200
Within a period of more than one year but not exceeding two years	255,921	472,521
Within a period of more than two years but not exceeding five years	<u>241,941</u>	<u>243,914</u>
	<u>531,062</u>	<u>749,635</u>
The carrying amounts of bank loans that contain a repayment on demand clause (shown under current liabilities) but repayable:		
Within one year	<u>280,000</u>	<u>80,000</u>
	<u>811,062</u>	<u>829,635</u>
Amounts shown under current liabilities	313,200	113,200
Amounts shown under non-current liabilities	<u>497,862</u>	<u>716,435</u>
	<u>811,062</u>	<u>829,635</u>

All the Group's bank loans are floating rate borrowings. The bank loans are secured over certain of the Group's assets as disclosed in note 17. Effective interest rate is 4.13% per annum (31st December, 2025: 4.66% per annum).

14. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Ordinary shares		
Issued and fully paid:		
At 1st January, 2025 (audited), 30th June, 2025 (unaudited), 31st December, 2025 (audited) and 30th June, 2026 (unaudited)	<u>579,753</u>	<u>1,084,887</u>

At 30th June, 2026, the Company's 68,140,000 (31st December, 2025: 68,140,000) issued shares were held by a subsidiary of the Company. In accordance with the Hong Kong Companies Ordinance, members of the Group who are shareholders of the Company have no right to vote at meetings of the Company.

15. RELATED PARTY TRANSACTIONS AND BALANCES

Other than those disclosed in the condensed consolidated financial statements, the Group had the following transactions and balances with related parties during the periods and as at period/year ends:

	Six months ended 30th June, 2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Transactions during the period:		
Shun Ho Holdings Limited (the Company's intermediate holding company) and its subsidiaries*		
Corporate management fee income for administrative facilities provided	75	75
Interest expenses (<i>Note a</i>)	22	36
Rental income from Mr. William Cheng Kai Man	420	420
Compensation of key management personnel (<i>Note c</i>)	<u>10,560</u>	<u>10,537</u>

15. RELATED PARTY TRANSACTIONS AND BALANCES (*Continued*)

	As at 30th June, 2026 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2025 <i>HK\$'000</i> (Audited)
Balances as at period/year end:		
Amount due to an intermediate holding company (<i>Note a</i>)	1,920	2,811
Amount due to Mr. William Cheng Kai Man (<i>Note b</i>)	<u>5,088</u>	<u>5,088</u>

* exclude the Company and its subsidiaries

Notes:

- (a) The amount due to an intermediate holding company is unsecured, carries interest at a fixed rate of 2% per annum (31st December, 2025: 2% per annum) and repayable on demand.
- (b) The amount due to a shareholder which is non-trade related, unsecured, interest-free and repayable on demand.
- (c) The compensation of key management personnel comprised short-term and post-employment benefits attributable to such personnel.

16. CAPITAL COMMITMENTS

As at 30th June, 2026, the Group had commitments contracted for but not provided in the condensed consolidated financial statements in respect of expenditure on construction in progress amounting to HK\$16,851,000.

17. PLEDGE OF ASSETS

At the end of the reporting period, the bank loan facilities of the Group were secured by the followings:

- (a) investment properties, and hotel properties and buildings (included in property, plant and equipment) of the Group with carrying amounts as at 30th June, 2026 of approximately HK\$3,339 million (31st December, 2025: HK\$3,405 million) and HK\$2,329 million (31st December, 2025: HK\$1,531 million), respectively;
- (b) pledge of shares in certain subsidiaries of the Company with an aggregate net asset value as at 30th June, 2026 of approximately HK\$4,329 million (31st December, 2025: HK\$3,771 million);
- (c) assignment of property rental of certain subsidiaries of the Company; and
- (d) assignment of insurance on certain investment properties.

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and key inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

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

Financial asset	Fair value as at		Fair value hierarchy	Valuation technique and key input
	30th June, 2026 <i>HK\$'000</i> (Unaudited)	31st December, 2025 <i>HK\$'000</i> (Audited)		
Equity instruments at FVTOCI	<u>40,156</u>	<u>36,454</u>	Level 1	Quoted bid prices in an active market

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.