



大生地產發展有限公司
TAI SANG LAND DEVELOPMENT LIMITED

(Stock code: 89)

2025 INTERIM REPORT

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Corporate Information

Executive Directors

William Ma Ching Wai
(*Chairman and Chief Executive*)
Patrick Ma Ching Hang, BBS, JP
(*Deputy Chairman*)
Philip Ma Ching Yeung, BBS
(*Deputy Chairman*)
Alfred Ma Ching Kuen (*Managing Director*)
Amy Ma Ching Sau (*Managing Director*)

Non-executive Director

Edward Cheung Wing Yui, BBS

Independent Non-executive Directors

Kevin Chau Kwok Fun
Yiu Kei Chung
Aaron Tan Leng Cheng
Ho Chi Keung

Audit Committee

Yiu Kei Chung (*Committee Chairman*)
Edward Cheung Wing Yui
Kevin Chau Kwok Fun
Aaron Tan Leng Cheng
Ho Chi Keung

Remuneration Committee

Kevin Chau Kwok Fun
(*Committee Chairman*)
Amy Ma Ching Sau
Yiu Kei Chung
Ho Chi Keung

Nomination Committee

William Ma Ching Wai
(*Committee Chairman*)
Amy Ma Ching Sau
Kevin Chau Kwok Fun
Yiu Kei Chung
Aaron Tan Leng Cheng

Company Secretary

Katy Ma Ching Man

Bankers

The Bank of East Asia, Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking
Corporation Limited
Tai Sang Bank Limited

Solicitors

Woo, Kwan, Lee & Lo

Auditor

PricewaterhouseCoopers
*Certified Public Accountant and Registered
Public Interest Entity Auditor*

Registered Office

15th Floor, TS Tower,
43 Heung Yip Road,
Wong Chuk Hang, Hong Kong

Registrar and Transfer Office

Computershare Hong Kong Investor
Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East, Hong Kong

Website Address

www.tsld.com
www.irasia.com/listco/hk/taisangland/index.htm

Condensed Consolidated Statement of Financial Position

As at 30th June 2025 – Unaudited

	Notes	As at 30th June 2025 <i>HK\$'000</i>	As at 31st December 2024 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment	6	1,931,908	1,952,774
Investment properties	6	9,095,152	9,294,986
Financial assets at fair value through other comprehensive income		16,662	17,308
Prepayments for non-current assets		—	10
		11,043,722	11,265,078
Current assets			
Properties for sale		110,473	110,473
Other inventories		198	261
Debtors and prepayments	7	33,679	33,035
Current income tax recoverable		464	816
Cash and cash equivalents		146,512	123,438
		291,326	268,023
Total assets		11,335,048	11,533,101
Equity and liabilities			
Equity attributable to the owners of the Company			
Share capital	8	417,321	417,321
Reserves		7,627,792	7,844,569
		8,045,113	8,261,890
Non-controlling interests		274,909	279,356
Total equity		8,320,022	8,541,246

Condensed Consolidated Statement of Financial Position (Continued)

As at 30th June 2025 – Unaudited

	Notes	As at 30th June 2025 <i>HK\$'000</i>	As at 31st December 2024 <i>HK\$'000</i>
Non-current liabilities			
Long term bank loans – secured	9	2,516,563	2,119,204
Deferred income tax liabilities	10	227,524	229,189
Derivative financial instruments	11	3,705	–
Lease liabilities		264	375
		2,748,056	2,348,768
		2,748,056	2,348,768
Current liabilities			
Rental and other deposits		96,859	98,292
Creditors and accruals	12	24,725	32,606
Current income tax liabilities		3,366	1,384
Short term bank loans	13	54,700	150,000
Current portion of long term bank loans – secured	9	87,077	360,540
Lease liabilities		243	265
		266,970	643,087
		266,970	643,087
Total liabilities		3,015,026	2,991,855
Total equity and liabilities		11,335,048	11,533,101

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30th June 2025 – Unaudited

		For the six months ended 30th June	
	Notes	2025 HK\$'000	2024 HK\$'000
Revenues	5(a)	234,971	240,589
Cost of sales	14	(84,229)	(101,499)
Gross profit		150,742	139,090
Fair value losses on investment properties	6	(198,561)	(129,824)
Other (losses)/gains, net	15	(3,357)	1,047
Administrative expenses	14	(92,083)	(79,560)
Operating loss		(143,259)	(69,247)
Finance income	16	1,118	1,395
Finance costs	16	(61,143)	(77,114)
Finance costs, net		(60,025)	(75,719)
Loss before income tax		(203,284)	(144,966)
Income tax expense	17	(1,247)	(17,601)
Loss for the period		(204,531)	(162,567)
Loss attributable to:			
Owners of the Company		(202,062)	(158,181)
Non-controlling interests		(2,469)	(4,386)
		(204,531)	(162,567)
Loss per share (basic and diluted)	18	HK\$(0.70)	HK\$(0.55)

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30th June 2025 – Unaudited

	For the six months ended 30th June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the period	(204,531)	(162,567)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Changes in fair value of financial assets at fair value through other comprehensive income	(646)	(1,276)
Exchange translation difference	—	(9)
Other comprehensive income for the period	(646)	(1,285)
Total comprehensive income for the period	(205,177)	(163,852)
Total comprehensive income attributable to:		
Owners of the Company	(202,394)	(158,896)
Non-controlling interests	(2,783)	(4,956)
	(205,177)	(163,852)

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30th June 2025 – Unaudited

	For the six months ended 30th June	
	2025	2024
	HK\$'000	HK\$'000
Operating activities		
Net cash generated from operations	77,029	74,355
Hong Kong Profits Tax paid	(603)	(1,112)
Hong Kong Profits Tax refund	43	–
United States taxation paid	(18)	(13)
Letting fees paid	(617)	(704)
Net cash generated from operating activities	75,834	72,526
Investing activities		
Interest received	1,118	1,395
Dividends received	652	670
Additions of property, plant and equipment	(1,496)	(8,049)
Additions of investment properties	(141)	(2,935)
Proceeds on disposal of property, plant and equipment	162	2,683
Net cash generated from/(used in) investing activities	295	(6,236)
Financing activities		
Interest paid	(65,687)	(84,575)
Drawn down of bank loans	472,256	51,400
Repayments of bank loans	(443,435)	(25,243)
Repayments to lease liabilities	(142)	(148)
Dividends paid to shareholders	(14,383)	(17,260)
Dividends paid to non-controlling shareholders of subsidiaries	(1,664)	(2,796)
Net cash used in financing activities	(53,055)	(78,622)
Net increase/(decrease) in cash and cash equivalents	23,074	(12,332)
Cash and cash equivalents at 1st January	123,438	108,364
Exchange translation difference	–	(9)
Cash and cash equivalents at 30th June	146,512	96,023

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30th June 2025 – Unaudited

	Attributable to owners of the Company							
	Share capital <i>HK\$'000</i>	Property revaluation reserve <i>HK\$'000</i>	Investment revaluation reserve <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total reserves <i>HK\$'000</i>	Non- controlling interests <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1st January 2025	417,321	793,420	(29,847)	7,165	7,073,831	7,844,569	279,356	8,541,246
Loss for the period	-	-	-	-	(202,062)	(202,062)	(2,469)	(204,531)
Other comprehensive income								
Changes in fair value of financial assets at fair value through other comprehensive income	-	-	(332)	-	-	(332)	(314)	(646)
Total comprehensive income for the period	-	-	(332)	-	(202,062)	(202,394)	(2,783)	(205,177)
Transaction with owners								
Dividends paid	-	-	-	-	(14,383)	(14,383)	(1,664)	(16,047)
At 30th June 2025	417,321	793,420	(30,179)	7,165	6,857,386	7,627,792	274,909	8,320,022
At 1st January 2024	417,321	793,420	(30,995)	7,174	7,436,006	8,205,605	289,774	8,912,700
Loss for the period	-	-	-	-	(158,181)	(158,181)	(4,386)	(162,567)
Other comprehensive income								
Changes in fair value of financial assets at fair value through other comprehensive income	-	-	(706)	-	-	(706)	(570)	(1,276)
Exchange translation difference	-	-	-	(9)	-	(9)	-	(9)
Total comprehensive income for the period	-	-	(706)	(9)	(158,181)	(158,896)	(4,956)	(163,852)
Transaction with owners								
Dividends paid	-	-	-	-	(17,260)	(17,260)	(2,796)	(20,056)
At 30th June 2024	417,321	793,420	(31,701)	7,165	7,260,565	8,029,449	282,022	8,728,792

The notes from pages 9 to 29 form an integral part of this condensed consolidated interim financial information.

1 General information

Tai Sang Land Development Limited (the “Company”) and its subsidiaries (collectively the “Group”) are principally engaged in property investment, property rental, property development, estate management and agency, hotel operation and catering operation. The address of its registered office is 15th Floor, TS Tower, 43 Heung Yip Road, Wong Chuk Hang, Hong Kong.

The Company is a limited liability company incorporated in Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited.

This unaudited condensed consolidated interim financial information of the Group for the six months ended 30th June 2025 (the “Condensed Consolidated Interim Financial Information”) was approved by the board of directors on 27th August 2025. The Condensed Consolidated Interim Financial Information is presented in Hong Kong dollar (“HK\$”), unless otherwise stated.

The financial information relating to the year ended 31st December 2024 that is included in the Condensed Consolidated Interim Financial Information 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 required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

- The Company has delivered the financial statements for the year ended 31st December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).
- 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 407(3) of the Hong Kong Companies Ordinance (Cap. 622).

2 Summary of accounting policies

2.1 Basis of preparation

This Condensed Consolidated Interim Financial Information has been prepared under the historical cost convention, except for investment properties, financial assets at fair value through other comprehensive income and derivative financial instruments which are measured at fair value, and in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants.

Except as described below, the accounting policies and methods of computation used in the preparation of the Condensed Consolidated Interim Financial Information are consistent with those used in the annual report for the year ended 31st December 2024 (the “2024 Annual Report”). The Condensed Consolidated Interim Financial Information should be read in conjunction with the 2024 Annual Report and any public announcement made by the Group during the interim reporting period, which has been prepared in accordance with HKFRS Accounting Standards.

2.2 Changes in accounting policy and disclosures

The following amended standard is relevant and mandatory to the Group for the accounting period beginning on 1st January 2025:

HKAS 21 (Amendments)	Lack of Exchangeability
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The adoption of this amended standard did not result in a substantial impact to the results and financial position of the Group.

3 Financial risk management

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks, including foreign exchange risk, credit risk, liquidity risk, interest rate risk and price risk.

The Condensed Consolidated Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the 2024 Annual Report.

There have been no material changes in any risk management policy since last year end.

(b) Fair value estimation

Financial instruments that are measured in the condensed consolidated statement of financial position at fair value required disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Notes to the Condensed Consolidated Interim Financial Information (Continued)

3 Financial risk management (Continued)

(b) Fair value estimation (Continued)

The following table presents the Group's financial assets and liabilities that are measured at fair value as at 30th June 2025 and 31st December 2024.

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000
At 30th June 2025			
Assets			
Financial assets at fair value through other comprehensive income	<u>16,662</u>	<u>–</u>	<u>–</u>
Liability			
Derivative financial instruments – interest rate swap contract (note 11)	<u>–</u>	<u>3,705</u>	<u>–</u>
At 31st December 2024			
Assets			
Financial assets at fair value through other comprehensive income	<u>17,308</u>	<u>–</u>	<u>–</u>

For the six months ended 30th June 2025, there were no transfers of financial assets and liability of the Group between different levels of the fair value hierarchy.

The fair values of derivative financial instruments in level 2 that are not traded in an active market are determined by discounting the contractual future cash flows. The discount rate used is derived from the relevant swap curve as at the reporting date.

4 Critical accounting estimates and judgments

Estimates and judgments used in preparing the Condensed Consolidated Interim Financial Information are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Compared to the 2024 Annual Report, there were no material changes in the estimates and assumptions applied in the preparation of the Condensed Consolidated Interim Financial Information.

5 Revenues and segment information

(a) Revenues recognised during the period are as follows:

	For the six months ended 30th June	
	2025	2024
	HK\$'000	HK\$'000
Revenues from external customers		
Property rental		
– investment properties	158,229	164,119
– properties for sale	13,257	13,791
Property related services (note (i))	14,653	14,710
Hotel operations (note (i))	39,799	39,587
Catering operations (note (ii))	9,033	8,382
	234,971	240,589

Notes:

- (i) The Group's revenues from property related services and hotel operations are recognised over-time as the services are performed.
- (ii) The Group's revenue from catering operations is recognised at a point in time.

Notes to the Condensed Consolidated Interim Financial Information (Continued)

5 Revenues and segment information (Continued)

(b) Operating lease arrangement

The Group leases out investment properties and properties for sale under lease terms generally in the range of one to ten years.

At 30th June 2025, the future aggregate minimum lease payments receivables under non-cancellable operating leases are as follows:

	As at 30th June 2025 <i>HK\$'000</i>	As at 31st December 2024 <i>HK\$'000</i>
Not later than one year	260,058	278,003
Later than one year but not later than five years	236,076	313,956
Later than five years	2,101	3,145
	498,235	595,104

- (c) The chief operating decision-maker (“CODM”) has been identified as the executive directors of the Company. The CODM reviews the Group’s internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The CODM considers the business from a geographic perspective and has identified the operating segments of the Group as Hong Kong and the United States (“US”).

The CODM assesses the performance of the operating segments based on their underlying profit/(loss), which is measured by profit/(loss) after income tax excluding fair value changes on investment properties (net of deferred income tax in the US), and their segment assets and segment liabilities which are measured in a manner consistent with that in the Condensed Consolidated Interim Financial Information.

There are no sales between the operating segments.

Notes to the Condensed Consolidated Interim Financial Information (Continued)

5 Revenues and segment information (Continued)

(d) Operating segments

	Hong Kong HK\$'000	US HK\$'000	Total HK\$'000
For the six months ended 30th June 2025			
Segment revenues			
Property rental	146,541	24,945	171,486
Property related services	14,653	–	14,653
Hotel operations	39,799	–	39,799
Catering operations	9,033	–	9,033
Total segment revenues	<u>210,026</u>	<u>24,945</u>	<u>234,971</u>
Segment results – underlying loss			
– Property rental and related services	(2,648)	(1,687)	(4,335)
– Hotel and catering operations	(4,548)	–	(4,548)
Fair value losses on investment properties	(184,693)	(13,868)	(198,561)
Deferred income tax, net	<u>–</u>	<u>2,913</u>	<u>2,913</u>
Loss for the period	<u>(191,889)</u>	<u>(12,642)</u>	<u>(204,531)</u>
Included in segment results:			
Finance income	1,011	107	1,118
Finance costs	(58,349)	(2,794)	(61,143)
Income tax expense (note)	(4,142)	(18)	(4,160)
Depreciation	<u>(21,589)</u>	<u>(409)</u>	<u>(21,998)</u>
Capital expenditure	<u>1,330</u>	<u>–</u>	<u>1,330</u>

Notes to the Condensed Consolidated Interim Financial Information (Continued)

5 Revenues and segment information (Continued)

(d) Operating segments (Continued)

	Hong Kong HK\$'000	US HK\$'000	Total HK\$'000
At 30th June 2025			
Property, plant and equipment	1,927,149	4,759	1,931,908
Investment properties	<u>8,652,360</u>	<u>442,792</u>	<u>9,095,152</u>
Non-current assets (excluding financial assets at fair value through other comprehensive income)	10,579,509	447,551	11,027,060
Non-current financial assets at fair value through other comprehensive income	16,662	–	16,662
Current assets	<u>264,743</u>	<u>26,583</u>	<u>291,326</u>
Segment assets	<u><u>10,860,914</u></u>	<u><u>474,134</u></u>	<u><u>11,335,048</u></u>
Current liabilities	255,550	11,420	266,970
Non-current liabilities	<u>2,595,464</u>	<u>152,592</u>	<u>2,748,056</u>
Segment liabilities	<u><u>2,851,014</u></u>	<u><u>164,012</u></u>	<u><u>3,015,026</u></u>

Notes to the Condensed Consolidated Interim Financial Information (Continued)

5 Revenues and segment information (Continued)

(d) Operating segments (Continued)

	Hong Kong HK\$'000	US HK\$'000	Total HK\$'000
For the six months ended 30th June 2024			
Segment revenues			
Property rental	147,067	30,843	177,910
Property related services	14,710	–	14,710
Hotel operations	39,587	–	39,587
Catering operations	8,382	–	8,382
	<u>209,746</u>	<u>30,843</u>	<u>240,589</u>
Total segment revenues			
	<u>209,746</u>	<u>30,843</u>	<u>240,589</u>
Segment results – underlying (loss)/profit			
– Property rental and related services	(16,341)	3,910	(12,431)
– Hotel and catering operations	(5,963)	–	(5,963)
Fair value (losses)/gains on investment properties	(179,375)	49,551	(129,824)
Deferred income tax, net	–	(14,349)	(14,349)
	<u>(201,679)</u>	<u>39,112</u>	<u>(162,567)</u>
(Loss)/profit for the period			
	<u>(201,679)</u>	<u>39,112</u>	<u>(162,567)</u>
Included in segment results:			
Finance income	1,135	260	1,395
Finance costs	(73,798)	(3,316)	(77,114)
Income tax expense (note)	(3,239)	(13)	(3,252)
Depreciation	(22,588)	(409)	(22,997)
	<u>(98,490)</u>	<u>(3,465)</u>	<u>(101,955)</u>
Capital expenditure	8,223	2,349	10,572
	<u>8,223</u>	<u>2,349</u>	<u>10,572</u>

Notes to the Condensed Consolidated Interim Financial Information (Continued)

5 Revenues and segment information (Continued)

(d) Operating segments (Continued)

	Hong Kong HK\$'000	US HK\$'000	Total HK\$'000
At 31st December 2024			
Property, plant and equipment	1,947,606	5,168	1,952,774
Investment properties	8,838,000	456,986	9,294,986
Prepayments for non-current assets	10	–	10
	<u> </u>	<u> </u>	<u> </u>
Non-current assets (excluding financial assets at fair value through other comprehensive income)	10,785,616	462,154	11,247,770
Non-current financial assets at fair value through other comprehensive income	17,308	–	17,308
Current assets	238,638	29,385	268,023
	<u> </u>	<u> </u>	<u> </u>
Segment assets	<u>11,041,562</u>	<u>491,539</u>	<u>11,533,101</u>
Current liabilities	628,856	14,231	643,087
Non-current liabilities	2,192,485	156,283	2,348,768
	<u> </u>	<u> </u>	<u> </u>
Segment liabilities	<u>2,821,341</u>	<u>170,514</u>	<u>2,991,855</u>

Note: The amount excludes net deferred income tax of US segment.

Notes to the Condensed Consolidated Interim Financial Information (Continued)

6 Property, plant and equipment and investment properties

	Property, plant and equipment <i>HK\$'000</i>	Investment properties <i>HK\$'000</i> (note)	Total <i>HK\$'000</i>
Net book value or valuation			
At 31st December 2024 and 1st January 2025	1,952,774	9,294,986	11,247,760
Additions	1,330	–	1,330
Capitalised letting fees	–	617	617
Amortisation of capitalised letting fees	–	(1,890)	(1,890)
Depreciation	(21,998)	–	(21,998)
Disposals and write-off	(198)	–	(198)
Fair value losses	–	(198,561)	(198,561)
At 30th June 2025	<u>1,931,908</u>	<u>9,095,152</u>	<u>11,027,060</u>
At 1st January 2024	1,990,657	9,621,524	11,612,181
Additions	7,841	2,731	10,572
Capitalised letting fees	–	704	704
Amortisation of capitalised letting fees	–	(2,320)	(2,320)
Depreciation	(22,997)	–	(22,997)
Disposals and write-off	(2,306)	–	(2,306)
Fair value losses	–	(129,824)	(129,824)
At 30th June 2024	<u>1,973,195</u>	<u>9,492,815</u>	<u>11,466,010</u>

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

Note:

Investment properties

The Group measures its investment properties at fair value. As at 30th June 2025, 31st December 2024 and 30th June 2024, the fair value of the investment properties of the Group in Hong Kong were valued by Jones Lang LaSalle Limited. As at 30th June 2025 and 31st December 2024, the Group's US investment property was valued by Newmark Valuation & Advisory (30th June 2024: Martorana Bohegian & Company). They are independent qualified valuers not related to the Group, who hold recognised relevant professional qualifications and have recent experience in the locations and segments of the investment properties valued.

All the investment properties of the Group measured at fair value are categorised as Level 3 in the fair value hierarchy. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Levels 1, 2 and 3 during the period (2024: same).

For majority of the completed properties, the income capitalisation method was used. For income capitalisation method, the valuers apply assumptions for capitalisation rates and notional income, which are influenced by the prevailing market yields and comparable market transactions to arrive at the final valuation.

For certain carpark, the direct comparison method was used. Direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

For properties under development, the residual method was used, whereby the valuation is derived from the gross development value of the project upon completion (estimated using a direct comparison method) less estimated development costs and allowance for developer's profit.

There were no changes to the valuation techniques during the period.

Notes to the Condensed Consolidated Interim Financial Information (Continued)

7 Debtors and prepayments

Included in debtors and prepayments are trade debtors, net, of HK\$2,716,000 (31st December 2024: HK\$1,817,000) and the ageing analysis of the trade debtors, net, based on invoice date was as follows:

	As at 30th June 2025 HK\$'000	As at 31st December 2024 HK\$'000
0 – 30 days	2,071	1,450
31 – 60 days	215	367
61 – 90 days	257	–
Over 90 days	173	–
	2,716	1,817
	2,716	1,817

The trade debtors represent rental and management fee receivables. The Group normally does not grant credit to tenants for lease receivables, and grants 30 days credit for management fee receivables.

8 Share capital

Ordinary shares, issued and fully paid:

	Number of shares (thousands)	Share capital HK\$'000
At 30th June 2025, 1st January 2025 and 31st December 2024	287,670	417,321
	287,670	417,321

Notes to the Condensed Consolidated Interim Financial Information (Continued)

9 Long term bank loans – secured

	As at 30th June 2025 <i>HK\$'000</i>	As at 31st December 2024 <i>HK\$'000</i>
Bank loans		
– wholly repayable within five years	2,603,640	2,479,744
Amounts due within one year included under current liabilities	<u>(87,077)</u>	<u>(360,540)</u>
	<u>2,516,563</u>	<u>2,119,204</u>
The maturity of the long term bank loans is as follows:		
– within one year	87,077	360,540
– in the second year	1,853,478	1,834,951
– in the third to fifth year	<u>663,085</u>	<u>284,253</u>
	<u>2,603,640</u>	<u>2,479,744</u>

The long term bank loans together with short term bank loans (note 13) are secured by the property, plant and equipment and investment property in the US and certain property, plant and equipment and investment properties in Hong Kong with an aggregate carrying value of HK\$7,686,162,000 (31st December 2024: HK\$7,841,536,000) and the rental income thereon.

Notes to the Condensed Consolidated Interim Financial Information (Continued)

10 Deferred income tax liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes related to the same fiscal authority.

The movements on the net deferred income tax liabilities are as follows:

	For the six months ended 30th June		For the year ended 31st December
	2025	2024	2024
	HK\$'000	HK\$'000	HK\$'000
At the beginning of the period/year (Credited)/charged to profit or loss (note 17)	229,189	252,081	252,081
	(1,665)	16,047	(22,892)
At the end of the period/year	227,524	268,128	229,189

11 Derivative financial instruments

	As at 30th June 2025 HK\$'000	As at 31st December 2024 HK\$'000
Liability		
Derivatives that are not designated in hedge accounting relationships:		
Interest rate swap contract	3,705	—

The notional principal amount of the outstanding interest rate swap contract as at 30th June 2025 was HK\$200,000,000 (31st December 2024: Nil).

The net fair value loss on interest rate swap contract of HK\$3,973,000 (30th June 2024: Nil) (note 15) has been recognised and charged to profit or loss for the period.

Notes to the Condensed Consolidated Interim Financial Information (Continued)

12 Creditors and accruals

Included in creditors and accruals are trade creditors of HK\$7,079,000 (31st December 2024: HK\$8,572,000) and the ageing analysis of the trade creditors based on invoice date was as follows:

	As at 30th June 2025 <i>HK\$'000</i>	As at 31st December 2024 <i>HK\$'000</i>
0 – 30 days	6,327	8,362
31 – 60 days	403	179
61 – 90 days	349	15
Over 90 days	—	16
	<u>7,079</u>	<u>8,572</u>

13 Short term bank loans

	As at 30th June 2025 <i>HK\$'000</i>	As at 31st December 2024 <i>HK\$'000</i>
Short term bank loans – secured	<u>54,700</u>	<u>150,000</u>

Short term bank loans are secured by certain investment properties and property, plant and equipment in Hong Kong with carrying value of which is included in the disclosure in note 9 and the rental income thereon.

Notes to the Condensed Consolidated Interim Financial Information (Continued)

14 Cost and expenses

	For the six months ended 30th June	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Depreciation	21,998	22,997
Amortisation of capitalised letting fees	1,890	2,320
Provision for impairment of trade debtors	–	102
Donations	2,661	2,826
Outgoings, in respect of (note (a))		
– investment properties	29,936	34,045
– properties for sale	3,374	2,973
– property related services	12,716	13,159
– property, plant and equipment	2,058	1,494
Outgoings, in respect of (note (b))		
– hotel and catering operations	36,145	35,098
Other employee benefit expenses	41,235	40,344
Others	24,299	25,701
Total cost of sales and administrative expenses	176,312	181,059

Notes:

- (a) Outgoings mainly included building management fee, government rent and rates, repairs and maintenance and employee benefits.
- (b) Outgoings mainly included food cost, commission expenses, electricity charge, cleaning fee and employee benefits.

Notes to the Condensed Consolidated Interim Financial Information (Continued)
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15 Other (losses)/gains, net

	For the six months ended 30th June	
	2025	2024
	HK\$'000	HK\$'000
Dividend income from financial assets at fair value through other comprehensive income	652	670
Realised and unrealised losses on derivative financial instruments, net (note 11)	(3,973)	—
(Loss)/gain on disposal of property, plant and equipment, net	(36)	377
	<u>(3,357)</u>	<u>1,047</u>

16 Finance income and costs

	For the six months ended 30th June	
	2025	2024
	HK\$'000	HK\$'000
Finance income		
Interest income from banks deposits	1,118	1,395
Finance costs		
Interest expenses on bank loans	(61,143)	(77,114)
Finance costs, net	<u>(60,025)</u>	<u>(75,719)</u>

Notes to the Condensed Consolidated Interim Financial Information (Continued)

17 Income tax expense

Hong Kong Profits Tax has been provided at the rate of 16.5% (30th June 2024: 16.5%) on the estimated assessable profits for the period. Except for the minimum US state tax which has been paid during the period, no overseas taxation (30th June 2024: Nil) has been provided as there is no estimated taxable profit for the overseas subsidiaries for the period.

The amount of income tax (charged)/credited to the condensed consolidated statement of profit or loss represents:

	For the six months ended 30th June	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
– Hong Kong Profits Tax	(2,894)	(1,541)
– US taxation	(18)	(13)
	(2,912)	(1,554)
	(2,912)	(1,554)
Deferred income tax (note 10)		
– Hong Kong	(1,248)	(1,698)
– US	2,913	(14,349)
	1,665	(16,047)
	1,665	(16,047)
	(1,247)	(17,601)
	(1,247)	(17,601)

18 Loss per share

The calculation of basic loss per share is based on loss attributable to owners of the Company of HK\$202,062,000 (30th June 2024: HK\$158,181,000) and on 287,670,000 (30th June 2024: 287,670,000) ordinary shares in issue during the period.

As there are no dilutive potential ordinary shares for the six months ended 30th June 2025 and 2024, the diluted loss per share is equal to the basic loss per share.

Notes to the Condensed Consolidated Interim Financial Information (Continued)

19 Dividend

	For the six months ended 30th June	
	2025	2024
	HK\$'000	HK\$'000
Interim, declared, of HK3 cents (2024: HK4 cents) per ordinary share	8,630	11,507

At a meeting held on 27th August 2025, the directors declared an interim dividend of HK3 cents per ordinary share for the year ending 31st December 2025. This declared dividend is not reflected as a dividend payable in this Condensed Consolidated Interim Financial Information, but will be reflected as an appropriation of retained profits for the year ending 31st December 2025.

20 Capital commitments

	As at 30th June 2025 HK\$'000	As at 31st December 2024 HK\$'000
Contracted but not provided for		
– investment properties	15,015	12,818
– property, plant and equipment	30	773
	15,045	13,591

21 Related parties transactions

The Group entered into the following transactions with related parties during the period:

- (a) Property rental and property related services transactions with related parties

Revenues from property rental and property related services in note 5(a) included amounts of HK\$865,000 (30th June 2024: HK\$839,000) and HK\$256,000 (30th June 2024: HK\$282,000) respectively from related companies and persons based on prices and terms as agreed by the parties involved.

- (b) Purchase of motor vehicle from related person

There was no purchase of motor vehicle from related person during the period (30th June 2024: HK\$1,200,000).

- (c) Key management remuneration

Remuneration for key management was as follows:

	For the six months ended 30th June	
	2025	2024
	HK\$'000	HK\$'000
Short term employee benefits	20,113	19,565
Post-employment benefits	9	9
	20,122	19,574

Report on Review of Interim Financial Information

TO THE BOARD OF DIRECTORS OF TAI SANG LAND DEVELOPMENT LIMITED

(incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 3 to 29, which comprise the interim condensed consolidated statement of financial position of Tai Sang Land Development Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30th June 2025 and the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA. Our responsibility is to express a conclusion on this interim financial information 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 interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27th August 2025

Chairman's Statement

Result

I would like to report the results of the Company and its subsidiaries (the “Group”) for the period ended 30th June 2025 that the total revenue of the Group for the period decreased by HK\$5.6 million or 2.3% to HK\$235.0 million (30th June 2024: HK\$240.6 million). The Group’s core property leasing business remained stable, with the total rental income down by 3.6% as compared to the same period of last year as a result of the drop of rental income from the operation in the United States (“US”). Whereas, the revenue from the hotel and catering business was slightly increased by 1.8% as compared to the same period of last year.

The Group recorded a consolidated loss for the period ended 30th June 2025 of HK\$204.5 million (30th June 2024: HK\$162.6 million). Loss per share for the period was HK\$0.70 (30th June 2024: HK\$0.55). The consolidated loss for the period included the fair value losses on investment properties (net of US deferred income tax) of HK\$195.6 million (30th June 2024: HK\$144.2 million).

Excluding these effects of fair value losses on investment properties, the Group’s earnings before interest, tax, depreciation and amortisation (“EBITDA”) for the period ended 30th June 2025 was HK\$78.4 million (30th June 2024: HK\$85.0 million) and the Group’s underlying loss for the period ended 30th June 2025 was HK\$8.9 million (30th June 2024: HK\$18.4 million). The underlying loss decreased by HK\$9.5 million mainly due to the decrease in interest expenses of HK\$16.0 million as a result of drop in interest rate during the period, however, set off by the decrease in profit contribution from US operation.

As at 30th June 2025, the valuation of the investment properties of the Group was HK\$9,095.2 million (31st December 2024: HK\$9,295.0 million), drop by HK\$199.8 million or 2.1% for the period. Total equity amounted to HK\$8,320.0 million (31st December 2024: HK\$8,541.2 million).

Dividend

The board of directors (the “Board”) has declared an interim dividend of HK3 cents (30th June 2024: HK4 cents) per ordinary share.

Chairman's Statement (*Continued*)

Prospects

From the start of Year 2025, the global economic and political environments have been exceptionally unpredictable and full of uncertainties. Upon President Trump's administration, the global economy has become unstable. Hopefully, after the US tariff policy meetings have taken place in the second half of Year 2025, there will be a much clearer picture on the global economy.

Hong Kong has carried the benefits of significant interest rate cuts recently and the interest rates may stay at current low level for a while. Moreover, the HKSAR Government has launched various schemes over the past few years to attract companies, capital investors and talents from all over the world to come to Hong Kong. The effect of these schemes will become more obvious starting this year onwards. The inflow of talents already caused the surge of demand for residential leasing, together with the recent lowered interest rate, have positive impacts towards the Hong Kong property market absorption and stability.

Hong Kong is now in the transitional period of its structural change in the business model, with growth in some business sectors but diminution in others. There are growing interests from companies abroad for having their shares listed on the Stock Exchange of Hong Kong, and to move their registers to Hong Kong. By end of this year, there are likely more companies will seek listing in Hong Kong. With more newcomers fueling the economy, Hong Kong is set to welcome a lifted economy and a bright outlook for its future.

The GDP growth of Hong Kong is likely to remain stable while that of Mainland China is promising as compared to the rest of the world. Other than unforeseeable political uncertainties, we see a much more positive picture for the remainder of the year. The low and stable interest rates will also benefit our performance.

We are confident that our operations will remain stable and we will continue to be cautious and will make appropriate adjustments if the circumstance merit. Barring any unforeseen circumstances, the Group will continue to pursue a prudent policy.

William Ma Ching Wai
Chairman

Hong Kong, 27th August 2025

Management Discussion and Analysis

Business review

In Hong Kong, the gross rental income for the period was HK\$146.5 million, slightly decreased by HK\$0.5 million or 0.4% as compared to the same period of last year. There have been slight pick-up of rental income from residential properties due to increase in rental and occupancy rates. The upside was however set off by the drop from the industrial and commercial properties, and the trend may extend to the rest of the year.

The room tariff income and catering income from our hotels for the period was HK\$48.8 million, increased by HK\$0.9 million or 1.8% as compared to the same period of last year. The average occupancy rate of the Arca Hotel and the Figo Hotel for the period was 83.1% (30th June 2024: 75.5%) and 93.5% (30th June 2024: 91.0%) respectively. The average daily room rate (ADR) of the Arca Hotel and the Figo Hotel for the period was HK\$1,067 (30th June 2024: HK\$1,144) and HK\$1,250 (30th June 2024: HK\$1,319) respectively. The EBITDA of the Arca Hotel and the Figo Hotel for the period was HK\$2.2 million (30th June 2024: HK\$1.6 million) and HK\$2.2 million (30th June 2024: HK\$2.7 million) respectively. The increase in occupancy rate of both hotels during the period was mainly attributable to the increase in Mainland visitors to Hong Kong to participate in the recent sports and concert events.

In US, the gross rental income from Montgomery Plaza was HK\$24.9 million for the period, decreased by HK\$5.9 million or 19.2%, as compared to the same period of last year. As at 30th June 2025, the office space occupancy rate of Montgomery Plaza is 45% (30th June 2024: 65%). Rental and occupancy rates at the financial district in San Francisco continued to drop, and prospective tenants continued to reevaluate their office space needs due to the evolving workplace trends. These trends might not be reversed in the near future.

Liquidity and financial resources

As at 30th June 2025, the Group's total bank borrowings increased by HK\$28.6 million to HK\$2,658.3 million (31st December 2024: HK\$2,629.7 million), including outstanding long term bank loans of HK\$2,603.6 million (31st December 2024: HK\$2,479.7 million). As at 30th June 2025, the total equity decreased by HK\$221.2 million to HK\$8,320.0 million (31st December 2024: HK\$8,541.2 million). The gearing ratio (total debt to equity ratio) as at 30th June 2025 was 32.0% (31st December 2024: 30.8%).

The cash flow position and funding needs are closely reviewed and monitored to ensure that the Group has a good degree of financial flexibility and liquidity while optimising net financial costs. There are sufficient committed banking facilities available for the Group's current funding needs and future business requirements. The Group's financial position remains healthy.

Management Discussion and Analysis (*Continued*)

Capital expenditure

Capital expenditure for the period amounted to HK\$1.3 million (30th June 2024: HK\$10.6 million) and capital commitments as at 30th June 2025 amounted to HK\$15.0 million (31st December 2024: HK\$13.6 million). Both capital expenditure and capital commitments were mainly related to the addition of property, plant and equipment, property improvement and construction work. The Group anticipates that such commitments will be funded by future operating income, bank borrowings and other sources of finance as appropriate.

Capital structure of the Group

The capital structure of the Group had not changed materially from the last annual report.

Treasury policies and objectives

The Group adopts a treasury policy that aims to better control its treasury operations and lower its borrowing cost. As such, the Group endeavours to maintain an adequate level of cash and cash equivalents to address short term funding needs. The Group also considers various funding sources depending on the Group's needs to ensure that the financial resources have been used in the most cost-effective and efficient way to meet the Group's financial obligations. The deposits of the Group at various licensed banks have been and will continue to be conducted in accordance with the Group's treasury policy. The Group reviews and evaluates the Group's treasury policy from time to time to ensure its adequacy and effectiveness.

Foreign currency exchange risk

The Group's borrowings and cash and cash equivalents are primarily denominated in Hong Kong and US dollars and the repayment of principal and interest will be made in the respective lending currency. The Group therefore has no significant exposure to foreign exchange fluctuation.

As at 30th June 2025, the Group did not have any foreign currency hedging activity.

Management Discussion and Analysis (Continued)

Secured bank borrowings and pledge of assets

Secured bank borrowings of the Group amounting to HK\$2,658.3 million (31st December 2024: HK\$2,629.7 million) were secured by certain investment properties and land and buildings with an aggregate carrying amount of HK\$7,686.2 million (31st December 2024: HK\$7,841.5 million) and the rental income therefrom. Interests on the Group's bank borrowings were based on the floating interest rates, i.e. spread plus Hong Kong Inter-bank Offered Rate or US Secured Overnight Financing Rate.

The Group entered into a fixed interest rate swap contract for a notional principal value of HK\$200 million at a fixed rate of 3.06% in April 2025, effectively stabilising funding costs and preventing it from becoming an excessive drag on operating results.

The maturity of the Group's long term bank loans as at 30th June 2025 is summarised as follows:

	As at 30th June 2025 HK\$'000	As at 31st December 2024 HK\$'000
within one year	87,077	360,540
in the second year	1,853,478	1,834,951
in the third to fifth year	663,085	284,253
	<u>2,603,640</u>	<u>2,479,744</u>

Contingent liabilities

As at 30th June 2025, the Group has no significant contingent liabilities or guarantees (31st December 2024: Nil).

Segment information

Details of segment information of the Group are set out in note 5(d) to the condensed consolidated interim financial information.

Management Discussion and Analysis (*Continued*)

Employees and emolument policy

As at 30th June 2025, the Group employed a total of 265 (30th June 2024: 257) full-time employees which included the directors of the Company. In addition to salary payment, other benefits included discretionary bonus, insurance, medical schemes and mandatory provident fund schemes.

Employees of the Group are remunerated at a competitive level and are rewarded according to their performance and experience. The promotion and remuneration of the Group's employees are subject to annual review.

The emoluments of the directors of the Company are recommended by the remuneration committee to the Board's decision, having regard to the Group's operating results, individual responsibilities and performance, and comparable market statistics.

The Company has not adopted any share option scheme as an incentive to directors and eligible employees.

Significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures

There were no significant investments held, nor were there any material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30th June 2025.

Future plans for material investments and capital assets

The Group continues its efforts to upgrade and modernise our property portfolio. The Group will pay attention to the economic development and review our business plans for material investments and capital assets regularly.

Interim Dividend and Record Date

The Board has resolved to declare an interim dividend of HK3 cents (2024: HK4 cents) per ordinary share, payable on 29th September 2025 to shareholders whose names standing on the register of members of the Company at the close of business on 12th September 2025 (the “Record Date”). In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 12th September 2025.

Directors’ and Chief Executive’s Interests in Shares

At 30th June 2025, the interests and short positions of each director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of the Securities and Futures Ordinance (“SFO”)), as recorded in the register maintained by the Company under Section 352 of Part XV of SFO or otherwise 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”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) were as follows:

Number of ordinary shares held at 30th June 2025

	Capacity		Total	Percentage
	Personal interest	Corporate interests		
	(notes (a) and (b))			
Directors:				
William Ma Ching Wai				
<i>(Chairman and Chief Executive)</i>	4,608,354	160,136,485	164,744,839	57.2688%
Patrick Ma Ching Hang	46,256	8,732,013	8,778,269	3.0515%
Philip Ma Ching Yeung	–	–	–	–
Alfred Ma Ching Kuen	9,987	–	9,987	0.0035%
Amy Ma Ching Sau	347,942	–	347,942	0.1210%
Edward Cheung Wing Yui	–	–	–	–
Kevin Chau Kwok Fun	–	–	–	–
Yiu Kei Chung	–	–	–	–
Aaron Tan Leng Cheng	–	–	–	–
Ho Chi Keung	–	–	–	–

All interests stated above represent long positions.

Directors' and Chief Executive's Interests in Shares *(Continued)*

Notes:

- (a) Kam Chan & Company, Limited ("Kam Chan & Co", in which Mr. William Ma Ching Wai held 62.01% interests) and its associates and Holston Investment Limited (in which Mr. William Ma Ching Wai held 76.56% interests) directly or indirectly owned 138,998,248 and 21,138,237 ordinary shares in the Company respectively.
- (b) Tai Sang International Limited (in which Mr. Patrick Ma Ching Hang held 100% interests) directly owned 8,732,013 ordinary shares in the Company.
- (c) Mr. Alfred Ma Ching Kuen beneficially held 9,886 shares (or 0.1765%) in the total number of issued shares of a subsidiary of the Company, Tai Sang Cold Storage & Godown Company Limited.
- (d) Mr. Patrick Ma Ching Hang and Ms. Katy Ma Ching Man jointly and beneficially held 47 shares (or 0.94%); Mr. William Ma Ching Wai and Mr. Patrick Ma Ching Hang jointly and beneficially held 1 share (or 0.02%); and Mr. Alfred Ma Ching Kuen beneficially held 23 shares (or 0.46%) in the total number of issued shares of a subsidiary of the Company, Kam Hang Company Limited.
- (e) In addition, certain directors of the Company held non-beneficial interests in subsidiaries of the Company in trust to the absolute benefit of the Company, the details of which are available for inspection at the Company's registered office.
- (f) Other than as stated above, as at 30th June 2025, no directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporation.
- (g) At no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors and chief executive of the Company (including their spouse and children under 18 years of age) to acquire benefits by means of acquisition of shares, underlying shares or debentures of the Company or any of its specified undertakings or its other associated corporations.

Substantial Shareholders

At 30th June 2025, the interest and short position of substantial shareholders in the shares or underlying shares of the Company, as recorded in the register maintained by the Company under Section 336 of Part XV of the SFO were as follows:

Number of ordinary shares held at 30th June 2025

	Capacity		Total	Percentage
	Beneficial owner	Corporate interests (note (a))		
Substantial shareholders:				
Kam Chan & Co	113,848,758	25,149,490	138,998,248	48.3187%
Holston Investment Limited	21,138,237	–	21,138,237	7.3481%
Gold Fortune Investment Company Limited	15,488,636	–	15,488,636	5.3842%

All interests stated above represent long positions.

Notes:

- (a) Gold Fortune Investment Company Limited, Suremark Limited (beneficially interested in 6,738,664 shares in the Company) and Montgomery Securities Nominee Limited (beneficially interested in 2,922,190 shares in the Company) are the wholly owned subsidiaries of Kam Chan & Co. The aggregate shareholdings of these three companies are deemed to be the corporate interests of Kam Chan & Co in the ordinary shares in the Company.
- (b) Save as disclosed above, as at 30th June 2025, no other persons had any interests or short positions in the shares or underlying shares of the Company as recorded in the register maintained by the Company under Section 336 of Part XV of the SFO.

Purchase, Sale or Redemption of Shares of the Company

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

Corporate Governance

The Company complied with the code provisions of Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules during the period, except the following:

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual to maintain an effective segregation of duties. Mr. William Ma Ching Wai, the Chairman of the Board (the “Chairman”) was appointed as the chief executive of the Company (the “Chief Executive”) on 15th June 2017, since then Mr. Ma holds both positions as the Chairman and Chief Executive. The Board believes that vesting the roles of both Chairman and Chief Executive on the same individual will enable the Company to have a stable and consistent leadership and also facilitate the planning and execution of the Company’s strategy and is hence in the interest of the Company and its shareholders. The Board is of the view that the balance of power and authority is adequately ensured as all major decisions have been made in consultation with the Board and appropriate Board committees, as well as top management, and there are one non-executive director and four independent non-executive directors on the Board offering their experience, expertise, independent advice and views from different perspectives.

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the Company’s code of conduct regarding directors’ securities transactions. On specific enquires made, all directors have confirmed that they have complied with the Model Code during the period.

Independent Review

The audit committee of the Company (the “Audit Committee”) has reviewed, in the presence of the external auditor, PricewaterhouseCoopers (“PwC”), the Group’s principal accounting policies and the condensed consolidated interim financial information for the six months ended 30th June 2025, with no disagreement by the Audit Committee. The condensed consolidated interim financial information of the Group for the six months ended 30th June 2025 are unaudited, but have been reviewed by PwC, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as issued by the Hong Kong Institute of Certified Public Accountants. A Report on Review of Interim Financial Information is set out on page 30.

By Order of the Board
William Ma Ching Wai
Chairman

Hong Kong, 27th August 2025