



渝太地產集團有限公司  
Y.T.REALTY GROUP LIMITED

Stock Code : 00075

# 2025 INTERIM REPORT





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# Corporate Information

## EXECUTIVE DIRECTOR

Wong Hy Sky  
(former English name: Huang Yun)  
(Chairman and Managing Director)  
Liu Jie  
Li Li

## INDEPENDENT NON-EXECUTIVE DIRECTOR

Luk Yu King, James  
Leung Yu Ming, Steven  
Lai Degang

## AUDIT COMMITTEE

Luk Yu King, James (Chairman)  
Leung Yu Ming, Steven  
Lai Degang

## REMUNERATION COMMITTEE

Leung Yu Ming, Steven (Chairman)  
Wong Hy Sky  
Lai Degang

## NOMINATION COMMITTEE

Wong Hy Sky (Chairman)  
Leung Yu Ming, Steven  
Lai Degang

## AUTHORISED REPRESENTATIVE

Wong Hy Sky  
Chan Sau Mui Juanna

## COMPANY SECRETARY

Chan Sau Mui Juanna

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## PRINCIPAL PLACE OF BUSINESS

Room 2805, 28th Floor, China Resources Building  
26 Harbour Road  
Wanchai  
Hong Kong  
Tel: (852) 2573 8888  
Website: [www.ytrealtygroup.com.hk](http://www.ytrealtygroup.com.hk)  
Email: [investors@ytrealtygroup.com.hk](mailto:investors@ytrealtygroup.com.hk)

## EXTERNAL AUDITOR

Ernst & Young  
Certified Public Accountants  
Registered Public Interest Entity Auditor

## PRINCIPAL BANKER

The Hongkong and Shanghai Banking  
Corporation Limited  
The Bank of East Asia, Limited

## LEGAL ADVISER

Bermuda:  
Conyers Dill & Pearman

Hong Kong:  
Woo, Kwan, Lee & Lo  
Ronald Tong & Co

## REGISTRAR & TRANSFER OFFICE

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

Hong Kong:  
Tricor Investors Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185

## SHARE LISTING

The Stock Exchange of Hong Kong Limited  
Stock Code: 00075

The board of directors (the “Board” or “Directors”) of Y. T. Realty Group Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2025.

## BUSINESS REVIEW

For the first half of 2025, the global economy was challenging and volatile. Even though inflation pressure for the US and many economies was moderate as compared to last year, geopolitical conflicts, trade tensions and high tariffs imposed by the US to many countries dampened global economic growth. In addition, the US Federal Reserve did not cut interest rate during the first half of 2025 due to its expectation of uncertainty of inflation under high tariff environment and it added pressure on the pace of global economic recovery.

In Mainland China, proactive monetary policies and encouraging fiscal stimulus were implemented by the Central Government continued to support economic growth. Despite the political and trade tension with the US continued, a 5.3% growth in Gross Domestic Product (“GDP”) was recorded during the first half of 2025. For the property sector, there appeared signs of bottoming and slight upward momentum in prime areas of first-tier cities and certain second-tier cities.

In the UK, despite inflation and interest rate had decreased from the peak, there was no significant economic growth during the reporting period. The overall UK property market stabilized as interest rate had come down from the peak in 2024. Rental rates and property prices had generally increased as compared to previous corresponding period in most sectors of the property market.

In Hong Kong, the economy experienced steady GDP growth of approximately 3% as compared to the previous year and unemployment rate continued to stay at low level, and exports of goods reported strong growth. However, private consumption expenditure remained relatively sluggish and the overall property market remained weak especially in the retails and office sectors despite interest rate had decreased during the period under review.

For the first half of 2025, the Group’s total revenue amounted to HK\$1,486.4 million, representing a decrease of 45.4% from HK\$2,723.5 million recorded in the last corresponding period. Revenue from property sale decreased by 45.1% from HK\$2,709.3 million to HK\$1,486.4 million. There was no rental income from investment properties during the period (2024: HK\$13.7 million). There was no treasury management income for the period (2024: HK\$0.5 million).

The Group’s net loss attributable to shareholders for the first six months of 2025 amounted to HK\$66.9 million as compared to a profit of HK\$13.2 million in the last corresponding period. Loss per share for the first six-month period of 2025 was HK8.4 cents (2024: earnings per share HK1.7 cents).

The Group’s investment property portfolio was independently valued at the end of the period resulting in revaluation loss of HK\$5.0 million (2024: HK\$0.9 million loss). The revaluation loss was reported in the consolidated statement of profit or loss.

# Management Discussion and Analysis

## BUSINESS REVIEW (Continued)

### Property Development and Trading

During the first half of 2025, the Group had pre-sales for five property projects in Sichuan, the PRC. The total contract sales was approximately HK\$4,591.4 million (2024: HK\$942.7 million) and the revenue recognised amounted to HK\$1,486.4 million (2024: HK\$2,709.3 million) in the first half of the year.

The breakdown of contract sales in the first half of 2025 is as follows:

Projects	Location	Contract Sales RMB'M	Contract Sales GFA Sqm	Average Selling Price RMB/sqm
Binjiang Wisdom City	Meishan, Sichuan	305.9	37,987	8,053
The City of Islands	Meishan, Sichuan	1,031.3	144,927	7,116
Joyous Time	Chengdu, Sichuan	149.5	9,718	15,384
Luhu Mansion of Value	Chengdu, Sichuan	944.0	16,613	56,823
Jiaozi Mansion of Value	Chengdu, Sichuan	1,848.5	31,944	57,866

### Property Investment

As at 30 June 2025, the Group's major investment properties include investment properties under construction in Sichuan, the PRC.

During the first half of 2025, the Group did not have rental income (2024: HK\$13.7 million).

### Treasury Management

During the first half of 2025, the Group did not have treasury management income (2024: HK\$0.5 million).

## PROSPECTS

It is anticipated that the global economy in the second half of 2025 will remain challenging. Even though inflation for the US and many major economies had decreased from its high and the interest rate is expected to decrease in order to stimulate economic recovery as the economy in the US and major economies around the world was sluggish in the first half of 2025. However, the global economy will certainly be impacted by the uncertain outcome of geopolitical conflicts and trade tension under high tariff environment will undermine the pace and magnitude of economic recovery.

In Mainland China, the magnitude of economic growth will depend on various essential factors such as domestic policies, global economic conditions, the magnitude of trade and political tension, and the uncertainty on high tariff imposed by the US. It is anticipated that the Central Government will continue to provide proactive and accommodative monetary policy and fiscal stimulus to ensure stable economic growth. Necessary supportive policies and measures by the Central Government as well as local government are expected to be implemented to revive the property market which is a vital element of the overall economy. It is expected that the property market will gradually recover and improve in the long run.

In the UK, economic recovery will depend on the pace of interest rate cut, and the economic and geopolitical conditions around the world. It is anticipated that economic growth will be challenging and the magnitude of recovery of the property market remains uncertain until interest rate is reduced to substantial level to stimulate sustainable economic growth. The Group will continue to monitor the market conditions in the UK to assess the viability of the UK property market for future business opportunities.

In Hong Kong, it is anticipated that the pace of economic growth will be affected by the interest rate cycle of the US and various key economic drivers such as tourism, private expenditure, and the economic growth of Mainland China. It is expected that the property market across sectors will remain weak until substantial interest rate cuts and sustainable economic expansion take place, and consumer confidence is restored to encouraging level.

In the challenging economic environment, the Group will continue to adhere to prudent and proactive approach for its business operations and development. The Group will look for business opportunities in property markets with stable and economic prospects for sustainable growth to enhance the returns for our shareholders in the long run. The Group will continue its efforts in the property business in Mainland China which is expected to continue to recover and improve under supportive policies and measures by the Central Government and local government authorities.

# Management Discussion and Analysis

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, the Group had net borrowing of HK\$2,610.9 million (31 December 2024: HK\$3,990.0 million), consisting cash and bank balances of HK\$2,946.3 million (31 December 2024: HK\$950.9 million) and total borrowings of HK\$5,557.2 million (31 December 2024: HK\$4,940.9 million). The gearing ratio of the Group was 268.4% (31 December 2024: 394.6%). The gearing ratio, if any, is calculated as the ratio of net borrowings to shareholders' funds.

As at 30 June 2025, the total cash and bank balances amounted to HK\$2,946.3 million (31 December 2024: HK\$950.9 million), approximately 98.1% (31 December 2024: 98.7%) was denominated in RMB, 1.7% (31 December 2024: 1.1%) in HKD, 0.1% (31 December 2024: 0.1%) in USD, and 0.1% (31 December 2024: 0.1%) in GBP.

As at 30 June 2025, the Group's total borrowings amounted to HK\$5,557.2 million (31 December 2024: HK\$4,940.9 million). Certain borrowings are secured by the pledge of certain property interest and equity interests in certain subsidiaries of the Group. 100% of total borrowings was denominated in RMB (31 December 2024: 100%). The Group proactively managed its financial resources and devised appropriate funding plan for working capital and capital expenditure.

The maturity profile of the Group's bank and other borrowings as at 30 June 2025 is as follows:

	HK\$'M	Percentage
Repayable:		
Within one year or on demand	999.8	18.0%
In the second year	2,735.7	49.2%
In the third to fifth years, inclusive	1,821.7	32.8%
	<u>5,557.2</u>	<u>100.0%</u>
Total	<u>5,557.2</u>	<u>100.0%</u>

The Group has its major property business operations in the Mainland China. Therefore, it is primarily subject to foreign exchange rate fluctuation of Renminbi.



## CONTINGENT LIABILITIES/FINANCIAL GUARANTEES

As at 30 June 2025, the Group provided financial guarantees to certain banks in respect of mortgage facilities provided for certain purchasers of the Group's properties in the Mainland China amounting to HK\$8,417.6 million (31 December 2024: HK\$7,419.7 million).

Save as disclosed above, the Group did not have any contingent liabilities as at 30 June 2025 (31 December 2024: Nil).

## STAFF

As at 30 June 2025, the Group employed 469 staff members. Staff remuneration is reviewed by the Group from time to time. In addition to salaries, the Group provides staff benefits including medical insurance, pension scheme and discretionary vocational tuition/training subsidies. Share options and bonuses are also available to employees of the Group at the discretion of the Board depending upon the financial performance of the Group.

## INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

## Disclosure of Interests

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS

As at 30 June 2025, the interests 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")) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as 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") set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

#### Interests in the Company

Name of director	No. of shares held		Total no. of shares held	Approximate % of interest
	Personal interests	Corporate interests		
Wong Hy Sky	88,000,000	79,772,000*	<u>167,772,000</u>	<u>20.98%</u>

Note:

- \* Mr. Wong Hy Sky ("Mr. Wong") was deemed to be interested in 79,772,000 shares in the Company by virtue of his indirect control of Hong Kong Petrochemical Industrial Group Limited ("HK Petrochemical") which owned those shares. HK Petrochemical was a wholly owned subsidiary of Ever Lead Developments Limited ("Ever Lead"), and Ever Lead was in turn a wholly owned subsidiary of Joybeam Global Limited ("Joybeam Global", a company wholly owned by Mr. Wong).

Save as disclosed above, as at 30 June 2025, none of the Directors and 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).

### SHARE OPTION SCHEME

The share option scheme adopted by the Company on 21 May 2015 (the "Scheme") is the only share option scheme of the Company. A summary of the principal terms of the Scheme is given in the circular to shareholders dated 17 April 2015. No option has been granted since the adoption of the Scheme and the Scheme expired on 20 May 2025.

## OTHER PERSONS' INTERESTS AND SHORT POSITIONS

As at 30 June 2025, so far as was known to the Directors, the following persons (other than the Directors or chief executive of the Company) were recorded in the register kept by the Company under Section 336 of the SFO as being interested or deemed to have interest in 5% or more of the issued share capital of the Company:

Name of shareholder	Capacity	No. of shares held	Percentage of interest
Joybeam Global <sup>(Note 1)</sup>	Interest of controlled corporation	79,772,000	9.98%
Ever Lead <sup>(Note 1)</sup>	Interest of controlled corporation	79,772,000	9.98%
HK Petrochemical <sup>(Note 1)</sup>	Beneficial owner	79,772,000	9.98%
Cheung Chung Kiu <sup>(Note 2)</sup>	Interest of controlled corporation	48,736,150	6.09%
Windsor Dynasty Limited <sup>(Note 2)</sup>	Interest of controlled corporation	48,736,150	6.09%
First Rose Global Limited <sup>(Note 2)</sup>	Beneficial owner	48,736,150	6.09%

Notes:

- Each parcel of 79,772,000 shares represents HK Petrochemical's direct interest in the Company. Joybeam Global and Ever Lead were deemed to be interested in those shares by virtue of their direct or indirect control of HK Petrochemical.
- Each parcel of 48,736,150 shares represents First Rose Global Limited's direct interest in the Company. Windsor Dynasty Limited was deemed to be interested in those shares by virtue of its direct control of First Rose Global Limited. Mr. Cheung Chung Kiu ("Mr. C.K. Cheung") was deemed to be interested in those shares by virtue of his indirect control of First Rose Global Limited. First Rose Global Limited was a wholly owned subsidiary of Windsor Dynasty Limited, a company wholly owned by Mr. C.K. Cheung.

Save as disclosed above, as at 30 June 2025, the Company had not been notified of any other person or corporation (other than Directors or chief executive of the Company) as being interested or deemed to have interests or short positions in shares or underlying shares of the Company which would fall to be disclosed to the Company or the Exchange under Part XV of the SFO.

## Other Information

### CORPORATE GOVERNANCE CODE

Throughout the accounting period covered by this interim report, the Company complied with the code provisions of the Corporate Governance Code (the “CG Code”) set out in Appendix C1 to the Listing Rules save for the deviations described below.

The Company has deviated from C.2.1 of the CG Code to the extent that the roles of chairman and chief executive are both performed by Mr. Wong Hy Sky (“Mr. Wong”). Having considered the existing structure and composition of the Board and operations of the Group, the Board believes that vesting the roles of both chairman and managing director in Mr. Wong facilitates the effective implementation and execution of its business strategies by, and ensure a consistent leadership for, the Group. Further, a balance of power and authority between the Board and management can be ensured by the operation of the Board, whose members (including the three independent non-executive Directors) are individuals of high calibre with ample experience, such that the interests of shareholders can be safeguarded. The Company will continue to review the structure and composition of the Board from time to time to ensure that a balance of power and authority between the Board and management is appropriately maintained for the Group.

Except for Wong Hy Sky, Li Li and Lai Degang who have entered into formal letters of appointment setting out the key terms and conditions of their appointment, the Company has not entered into formal letter of appointment with other Directors which deviated from C.3.3 of the CG Code. This notwithstanding, every Director, including those appointed for a specific term, shall be subject to retirement by rotation, removal, vacation or termination of the office as a director, and disqualification to act as a director in the manner specified in the Company’s bye-laws, applicable laws and the Listing Rules. Shareholders are sent (at the same time as the notice of the relevant general meeting) a circular containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the re-election of each retiring Director who stands for re-election at the meeting, including the information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions for its Directors and its relevant employees (within the meaning of the CG Code) on terms no less exacting than the Model Code.

All Directors confirmed that they had complied with the required standard set out in the Model Code and the Company’s code of conduct regarding directors’ securities transactions throughout the period.

### PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any shares in the Company during the period.

### REVIEW BY AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) comprises three independent non-executive Directors, namely Luk Yu King, James (Chairman of the Audit Committee), Leung Yu Ming, Steven and Lai Degang. The Audit Committee has reviewed this interim report. The Audit Committee has also reviewed the accounting principles and practices adopted by the Company and discussed internal control, risk management and financial reporting matters with management.

### APPRECIATION

On behalf of the Board, I wish to express our gratitude and sincere appreciation to the management and staff for their hard work and contributions.

On behalf of the board

**Wong Hy Sky**

*Chairman and Managing Director*

Hong Kong, 28 August 2025

# Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

	Notes	Unaudited Six months ended 30 June	
		2025 HK\$'000	2024 HK\$'000
<b>REVENUE</b>	4		
Sales of properties		1,486,378	2,709,273
Rental income		–	13,742
Interest income		–	463
Total revenue		1,486,378	2,723,478
Cost of sales		(1,238,101)	(2,138,924)
Gross profit		248,277	584,554
Other income and gains		15,510	6,099
Other expenses and losses		–	(1,094)
Selling and marketing expenses		(174,516)	(242,357)
Administrative expenses		(82,297)	(82,743)
Finance costs	5	(41,403)	(105,470)
Changes in fair value of investment properties		(4,953)	(859)
<b>PROFIT/(LOSS) BEFORE TAX</b>	6	(39,382)	158,130
Income tax expense	7	(23,111)	(142,476)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		(62,493)	15,654
Attributable to:			
Equity holders of the Company		(66,855)	13,222
Non-controlling interests		4,362	2,432
		(62,493)	15,654
<b>EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
Basic and diluted	8	(HK8.4 cents)	HK1.7 cents

# Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b><u>(62,493)</u></b>	<b><u>15,654</u></b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of foreign operations	<b><u>19,108</u></b>	<b><u>(18,104)</u></b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>	<b><u>19,108</u></b>	<b><u>(18,104)</u></b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b><u><u>(43,385)</u></u></b>	<b><u><u>(2,450)</u></u></b>
Attributable to:		
Equity holders of the Company	<b><u>(43,055)</u></b>	<b><u>202</u></b>
Non-controlling interests	<b><u>(330)</u></b>	<b><u>(2,652)</u></b>
	<b><u><u>(43,385)</u></u></b>	<b><u><u>(2,450)</u></u></b>

# Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	204,719	195,546
Investment properties	10	417,666	344,645
Goodwill		255,652	248,603
Other intangible asset		11,080	11,080
Equity investment designated at fair value through other comprehensive income		1,200	1,200
Deferred tax assets		181,709	159,083
Other receivables		64,741	61,655
Total non-current assets		1,136,767	1,021,812
<b>CURRENT ASSETS</b>			
Properties under development	11	15,833,112	12,003,558
Interests in land use rights for property development	11	–	1,272,175
Completed properties held for sale		1,702,290	1,645,969
Other receivables, deposits and prepayments		2,059,440	1,918,866
Prepaid income tax		105,075	124,365
Cash and bank balances	12	2,946,282	950,914
Total current assets		22,646,199	17,915,847
<b>CURRENT LIABILITIES</b>			
Trade and retention payables	13	3,155,420	2,754,635
Other payables and accrued expenses		1,662,102	1,770,473
Interest-bearing bank and other borrowings	14	999,797	434,783
Contract liabilities		12,276,387	8,309,714
Tax payable		314,483	293,824
Total current liabilities		18,408,189	13,563,429
<b>NET CURRENT ASSETS</b>		4,238,010	4,352,418
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,374,777	5,374,230



# Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>5,374,777</b>	5,374,230
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		17,751	30,127
Interest-bearing bank and other borrowings	14	4,557,356	4,506,160
Other payables		8,947	8,387
Total non-current liabilities		4,584,054	4,544,674
Net assets		790,723	829,556
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the Company</b>			
Issued share capital	15	79,956	79,956
Reserves		892,732	931,235
		972,688	1,011,191
<b>Non-controlling interests</b>		<b>(181,965)</b>	(181,635)
Total equity		790,723	829,556

# Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Unaudited									
	Attributable to equity holders of the Company									Non-controlling interests
	Issued share capital HK\$'000	Share premium account HK\$'000	Capital redemption reserve HK\$'000	Capital reserve HK\$'000	Contributed surplus HK\$'000	Exchange fluctuation reserves HK\$'000	Other reserves <sup>#</sup> HK\$'000	Retained profits HK\$'000	Total HK\$'000	
<b>At 1 January 2025</b>	<b>79,956</b>	<b>95,738</b>	<b>1,350</b>	<b>1,800</b>	<b>4,767</b>	<b>14,328</b>	<b>460</b>	<b>812,792</b>	<b>1,011,191</b>	<b>(181,635)</b>
Profit/(loss) for the period	-	-	-	-	-	-	-	(66,855)	(66,855)	4,362
Other comprehensive income/(loss) for the period	-	-	-	-	-	23,800	-	-	23,800	(4,692)
Total comprehensive income/(loss) for the period	-	-	-	-	-	23,800	-	(66,855)	(43,055)	(330)
Unclaimed dividends forfeited	-	-	-	-	-	-	-	4,552	4,552	-
<b>At 30 June 2025</b>	<b>79,956</b>	<b>95,738*</b>	<b>1,350*</b>	<b>1,800*</b>	<b>4,767*</b>	<b>38,128*</b>	<b>460*</b>	<b>750,489*</b>	<b>972,688</b>	<b>(181,965)</b>
<b>At 1 January 2024</b>	<b>79,956</b>	<b>95,738</b>	<b>1,350</b>	<b>1,800</b>	<b>4,767</b>	<b>27,720</b>	<b>1,020</b>	<b>816,746</b>	<b>1,029,097</b>	<b>(213,540)</b>
Profit for the period	-	-	-	-	-	-	-	13,222	13,222	2,432
Other comprehensive loss for the period	-	-	-	-	-	(13,020)	-	-	(13,020)	(5,084)
Total comprehensive income/(loss) for the period	-	-	-	-	-	(13,020)	-	13,222	202	(2,652)
Acquisition of a subsidiary that is not a business	-	-	-	-	-	-	-	-	-	216
<b>At 30 June 2024</b>	<b>79,956</b>	<b>95,738</b>	<b>1,350</b>	<b>1,800</b>	<b>4,767</b>	<b>14,700</b>	<b>1,020</b>	<b>829,968</b>	<b>1,029,299</b>	<b>(215,976)</b>

\* These reserve accounts comprise the consolidated reserves of HK\$892,732,000 (31 December 2024: HK\$931,235,000) in the consolidated statement of financial position.

# Other reserves represent the fair value reserve arising from an equity investment designated at fair value through other comprehensive income with no recycling of gains or losses to profit or loss on derecognition.

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Note	Unaudited	
		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from/(used in) operations		325,232	(1,083,556)
PRC corporate income tax paid		(2,410)	(5,268)
PRC land appreciation tax paid		(16,869)	(11,096)
Overseas profits tax paid		–	(890)
Interest received from time deposits		–	463
<b>Net cash flows from/(used in) operating activities</b>		<b>305,953</b>	<b>(1,100,347)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of subsidiaries that is not a business		–	1,890
Additions to investment properties		(67,184)	(33,291)
Purchases of items of property, plant and equipment		(10,614)	(1,141)
Deposit received for proposed disposal of subsidiaries		–	30,000
Other cash flows arising from investing activities		11,396	4,654
<b>Net cash flows from/(used in) investing activities</b>		<b>(66,402)</b>	<b>2,112</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New interest-bearing bank and other borrowings		9,291,105	2,981,543
Repayment of interest-bearing bank and other borrowings		(8,814,987)	(1,766,817)
Principal portion of lease payments		(1,572)	(1,871)
Interest paid		(169,717)	(149,686)
<b>Net cash flows from financing activities</b>		<b>304,829</b>	<b>1,063,169</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>544,380</b>	<b>(35,066)</b>
<b>Cash and cash equivalents at 1 January</b>		<b>43,956</b>	<b>94,661</b>
<b>Effect on foreign exchange rate changes, net</b>		<b>(250)</b>	<b>35,265</b>
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>		<b>588,086</b>	<b>94,860</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		2,946,282	813,203
Less: Restricted bank balances		(2,358,196)	(724,246)
Add: Cash and bank balances of a disposal group	16	–	5,903
		<b>588,086</b>	<b>94,860</b>

# Notes to Interim Condensed Consolidated Financial Information

30 June 2025

## 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

The accounting policies and basis of preparation adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those adopted in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) as issued by the HKICPA, except for the adoption of the amended HKFRS Accounting Standards and changes in accounting policies as disclosed in note 2 to this unaudited interim condensed consolidated financial information.

## 2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following amended HKFRS Accounting Standard for the first time for the current period’s unaudited interim condensed consolidated financial information:

Amendments to HKAS 21	<i>Lack of Exchangeability</i>
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The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

## 3 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its business activities and has three reportable operating segments during the first six months of 2025 as follows:

- (a) The property development and trading segment comprises the development and trading of properties;
- (b) The property investment segment invests in properties for rental income and potential capital appreciation; and
- (c) The treasury management segment invests in debt securities and time deposits for earning interest income.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that general finance costs, unallocated other income and gains and corporate and other unallocated expenses and losses are excluded from this measurement.

Segment assets exclude property, plant and equipment related to head office, an equity investment designated at fair value through other comprehensive income, other intangible asset, certain unallocated cash and bank balances, unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude general interest-bearing bank and other borrowings, unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

**3 OPERATING SEGMENT INFORMATION** (Continued)

	Property development and trading HK\$'000	Property investment HK\$'000	Treasury management HK\$'000	Consolidated HK\$'000
<b>Six months ended 30 June 2025 (Unaudited)</b>				
<b>Segment revenue</b>	<b>1,486,378</b>	<b>–</b>	<b>–</b>	<b>1,486,378</b>
<b>Segment results</b>	<b>30,200</b>	<b>(5,632)</b>	<b>(10)</b>	<b>24,558</b>
Specific finance costs	(41,168)	–	–	(41,168)
General finance costs				(235)
Unallocated other income and gains				486
Corporate and other unallocated expenses and losses				(23,023)
Loss before tax				(39,382)
Income tax credit/(expense)	(24,349)	1,238	–	(23,111)
Loss for the period				(62,493)

	Property development and trading HK\$'000	Property investment HK\$'000	Treasury management HK\$'000	Corporate and others HK\$'000	Consolidated HK\$'000
<b>At 30 June 2025 (Unaudited)</b>					
<b>Assets and liabilities</b>					
Total assets	23,295,683	419,577	–	67,706	23,782,966
Total liabilities	22,821,485	163,788	–	6,970	22,992,243

**Six months ended 30 June 2025  
(Unaudited)****Other segment information:**

Capital expenditure*	8,374	67,184	–	2,130	77,688
Depreciation	5,092	–	–	2,111	7,203
Fair value losses on investment properties	–	4,953	–	–	4,953
Reversal of provision for properties under development and completed properties held for sale	18,986	–	–	–	18,986

## 3 OPERATING SEGMENT INFORMATION (Continued)

	Property development and trading HK\$'000	Property investment HK\$'000	Treasury management HK\$'000	Consolidated HK\$'000
Six months ended 30 June 2024 (Unaudited)				
<b>Segment revenue</b>	<u>2,709,273</u>	<u>13,742</u>	<u>463</u>	<u>2,723,478</u>
<b>Segment results</b>	267,651	11,846	453	279,950
Specific finance costs	(94,492)	(8,459)	–	(102,951)
General finance costs				(2,519)
Unallocated other income and gains				19
Corporate and other unallocated expenses and losses				<u>(16,369)</u>
Profit before tax				158,130
Income tax expense	(140,912)	(1,564)	–	<u>(142,476)</u>
Profit for the period				<u>15,654</u>

	Property development and trading HK\$'000	Property investment HK\$'000	Treasury management HK\$'000	Corporate and others HK\$'000	Consolidated HK\$'000
At 31 December 2024 (Audited)					
<b>Assets and liabilities</b>					
Total assets	<u>18,515,024</u>	<u>345,809</u>	<u>–</u>	<u>76,826</u>	<u>18,937,659</u>
Total liabilities	<u>17,893,287</u>	<u>202,067</u>	<u>–</u>	<u>12,749</u>	<u>18,108,103</u>

Six months ended 30 June 2024  
(Unaudited)

### Other segment information:

Capital expenditure*	1,141	33,291	–	–	34,432
Depreciation	5,763	–	–	2,281	8,044
Fair value losses on investment properties	–	859	–	–	859
Provision for properties under development and completed properties held for sale	<u>18,599</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>18,599</u>

\* Capital expenditure consists of additions of property, plant and equipment and investment properties.

# Notes to Interim Condensed Consolidated Financial Information

30 June 2025

## 3 OPERATING SEGMENT INFORMATION (Continued)

### Geographical information

#### (a) Revenue from external customers

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Mainland China	<b>1,486,378</b>	2,709,273
United Kingdom	–	13,742
Hong Kong	–	463
Total	<b><u>1,486,378</u></b>	<b><u>2,723,478</u></b>

The revenue information above is based on the location of the customers.

#### (b) Non-current assets

	<b>30 June</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Mainland China	<b>872,023</b>	783,266
Hong Kong	<b><u>17,094</u></b>	<u>16,608</u>
Total	<b><u>889,117</u></b>	<b><u>799,874</u></b>

The non-current assets information above is based on the location of assets and excludes financial instruments and deferred tax assets.

### Information about major customers

During the six months ended 30 June 2025 and 2024, no revenue from transactions with a single external customer amounted to 10% or more of the total revenue of the Group.



## 4 REVENUE

An analysis of revenue is as follows:

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
<b>Revenue from contracts with customers</b>		
Sales of properties	<u>1,486,378</u>	<u>2,709,273</u>
<b>Revenue from other sources</b>		
Gross rental income from investment property operating leases:		
Fixed lease payments	–	13,742
Interest income from time deposits	<u>–</u>	<u>463</u>
Subtotal	<u>–</u>	<u>14,205</u>
Total	<u><u>1,486,378</u></u>	<u><u>2,723,478</u></u>

### Revenue from contracts with customers

Disaggregated revenue information

### Segment

Property development and trading

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
<b>Type of goods</b>		
Sales of properties	<u>1,486,378</u>	<u>2,709,273</u>
<b>Geographical market</b>		
Mainland China	<u>1,486,378</u>	<u>2,709,273</u>

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

**5 FINANCE COSTS**

An analysis of finance costs is as follows:

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Interest on bank and other borrowings	<b>270,997</b>	158,560
Interest expenses arising from revenue contracts	<b>423,900</b>	480,705
Interest on lease liabilities	<b>512</b>	533
Imputed interest on retention payables	<b>29,607</b>	28,059
	<b><u>725,016</u></b>	<u>667,857</u>
Total interest expenses	<b>725,016</b>	667,857
Less: Interest capitalised	<b>(683,613)</b>	(562,387)
	<b><u>41,403</u></b>	<u>105,470</u>
Total	<b>41,403</b>	105,470

## 6 PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Depreciation of owned assets	<b>5,169</b>	5,652
Depreciation of right-of-use assets	<b>2,179</b>	2,509
	<b>7,348</b>	8,161
Less: Amount capitalised	<b>(145)</b>	(117)
Total	<b>7,203</b>	8,044
Staff costs (including executive directors' remuneration):		
Wages and salaries	<b>67,590</b>	57,894
Pension scheme contributions	<b>4,632</b>	2,768
Total	<b>72,222</b>	60,662
Foreign exchange differences, net	<b>(1,416)</b>	102
Bank interest income*	<b>(4,396)</b>	(4,654)
(Reversal of provision)/provision for properties under development and completed properties held for sale**	<b>(18,986)</b>	18,599

\* This item is included in "Other income and gains" in the consolidated statement of profit or loss.

\*\* This item is included in "Cost of sales" in the consolidated statement of profit or loss.

# Notes to Interim Condensed Consolidated Financial Information

30 June 2025

## 7 INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the current and prior periods. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Current — United Kingdom		
Charge for the period	—	1,786
Over-provision in prior years	—	(51)
	<u>—</u>	<u>(51)</u>
Subtotal	<u>—</u>	<u>1,735</u>
Current — Mainland China		
PRC corporate income tax	<b>3,952</b>	111,645
PRC land appreciation tax	<b>41,239</b>	52,778
	<u><b>45,191</b></u>	<u>164,423</u>
Subtotal	<u><b>45,191</b></u>	<u>164,423</u>
Deferred	<u><b>(22,080)</b></u>	<u>(23,682)</u>
Total tax expense for the period	<u><b>23,111</b></u>	<u>142,476</u>

## 8 EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings/(loss) per share amounts for the periods is based on the profit/(loss) for the period attributable to ordinary equity holders of the Company and the number of ordinary shares in issue during the periods.

The Group had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2025 and 2024.

The calculations of basic and diluted earnings/(loss) per share are based on:

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<u>Profit/(loss)</u>		
Profit/(loss) for the period attributable to ordinary equity holders of the Company	<u>(66,855)</u>	<u>13,222</u>
	<b>Number of shares</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
<u>Shares</u>		
Number of ordinary shares in issue during the period	<u>799,557,415</u>	<u>799,557,415</u>

## 9 DIVIDENDS

The board of directors has resolved not to declare an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

# Notes to Interim Condensed Consolidated Financial Information

30 June 2025

## 10 INVESTMENT PROPERTIES

The revaluation of the Group's investment properties was carried out by Knight Frank Petty Limited (six months ended 30 June 2024: Knight Frank Petty Limited), an independent firm of professionally qualified valuer, on an open market, existing use basis at the end of the reporting period.

During the six months ended 30 June 2025, the Group incurred approximately HK\$67,184,000 (six months ended 30 June 2024: approximately HK\$33,291,000) on the addition of investment properties.

## 11 ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT, PROPERTIES UNDER DEVELOPMENT AND INTERESTS IN LAND USE RIGHTS FOR PROPERTY DEVELOPMENT

During the six months ended 30 June 2025, the Group incurred HK\$11,081,000 on the addition of items of property, plant and equipment, including owned assets of HK\$10,614,000 and right-of-use assets of HK\$467,000. The Group also incurred HK\$1,357,598,000 and HK\$1,284,584,000 on the additions of properties under development and interests in land use rights for property development, respectively.

During the six months ended 30 June 2024, the Group incurred HK\$1,141,000 on the addition of items of property, plant and equipment, including owned assets of HK\$1,141,000. The Group also incurred HK\$1,488,603,000 and HK\$1,278,530,000 on the additions of properties under development and interests in land use rights for property development, respectively.

## 12 CASH AND BANK BALANCES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Restricted bank balances ( <i>note</i> )	2,358,196	906,958
Cash and cash equivalents	588,086	43,956
Cash and bank balances	<u>2,946,282</u>	<u>950,914</u>

*Note:*

Pursuant to the relevant regulations in the PRC, certain property development companies of the Group are required to place at designated bank accounts certain amounts of pre-sales proceeds of properties as guarantee deposits for the construction of the related properties. The deposits can only be used for purchases of construction materials and payments of construction fees for the relevant property projects. As at 30 June 2025, restricted bank balances mainly represented such guarantee deposits amounting to HK\$2,349,965,000 (31 December 2024: HK\$906,958,000).

## 13 TRADE AND RETENTION PAYABLES

An ageing analysis of the trade payables at the end of the reporting period, based on the invoice date or the progress payment certificate date, is as follows:

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	<b>31 December 2024 HK\$'000 (Audited)</b>
Trade payables:		
Within 1 month	<b>1,587,421</b>	1,415,589
Over 1 month but within 2 months	<b>6,119</b>	8,875
Over 2 months but within 3 months	<b>1,818</b>	313
Over 3 months	<b>67,827</b>	59,341
Subtotal	<b>1,663,185</b>	1,484,118
Retention payables	<b>1,492,235</b>	1,270,517
Total	<b>3,155,420</b>	2,754,635

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

## 14 INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 30 June 2025 (Unaudited)			As at 31 December 2024 (Audited)		
	Contractual interest rate	Maturity	HK\$'000	Contractual interest rate	Maturity	HK\$'000
<b>Current</b>						
Bank loans — secured	3.5% to 6%	2025–2026	496,466	6%	2025	328,738
Other borrowings — secured	10.4% to 12.5%	2026	447,715	8.5%	2025	106,045
Other borrowings — unsecured	12.5%	2025	55,616	–	–	–
Total — current			<u>999,797</u>			<u>434,783</u>
<b>Non-current</b>						
Bank loans — secured	3.5% to 6%	2026–2029	1,425,300	6%	2026	413,574
Other borrowings — secured	6.4% to 12.5%	2026–2028	2,104,553	6.4% to 12.5%	2026–2027	2,909,802
Other borrowings — unsecured	12% to 12.5%	2026–2028	1,027,503	12% to 12.5%	2026–2027	1,182,784
Total — non-current			<u>4,557,356</u>			<u>4,506,160</u>
Total			<u>5,557,153</u>			<u>4,940,943</u>

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	496,466	328,738
In the second year	621,592	413,574
In the third to fifth years, inclusive	803,708	–
Subtotal	<u>1,921,766</u>	<u>742,312</u>
Other borrowings repayable:		
Within one year or on demand	503,331	106,045
In the second year	2,114,089	3,013,196
In the third to fifth years, inclusive	1,017,967	1,079,390
Subtotal	<u>3,635,387</u>	<u>4,198,631</u>
Total bank and other borrowings	<u>5,557,153</u>	<u>4,940,943</u>



## 14 INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

*Notes:*

- (a) As at 30 June 2025, bank borrowings with an aggregate amount of HK\$1,303,446,000 (31 December 2024: HK\$742,312,000) were secured by the pledge of 53.6% equity interest in two non-wholly-owned subsidiaries and 80% equity interest in a non-wholly-owned subsidiary of the Group (31 December 2024: secured by the pledge of 53.6% equity interest in two non-wholly-owned subsidiaries of the Group), and other borrowings with an aggregate amount of HK\$2,541,908,000 (31 December 2024: HK\$1,783,688,000) were secured by the pledge of the equity interest of a 80%, a 67%, a 51% and a 40.8% non-wholly-owned subsidiaries of the Group (31 December 2024: secured by the pledge of the equity interest of a 80%, a 67%, a 78.4% and a 80% non-wholly-owned subsidiaries of the Group) and share charge in respect of the entire equity interests of certain wholly-owned subsidiaries of the Group.
- (b) As at 30 June 2025, bank borrowings and other borrowings with aggregate amounts of HK\$1,921,767,000 (31 December 2024: HK\$742,312,000) and HK\$2,056,723,000 (31 December 2024: HK\$1,879,298,000), respectively, were secured by the Group's properties under development with aggregate carrying amounts of HK\$5,692,789,000 (31 December 2024: HK\$2,739,690,000) and HK\$4,780,062,000 (31 December 2024: HK\$4,461,838,000), respectively.
- (c) As at 30 June 2025, other borrowings with an aggregate amount of HK\$75,791,000 (31 December 2024: HK\$182,442,000) were secured by the Group's completed properties held for sale with an aggregate carrying amount of HK\$249,026,000 (31 December 2024: HK\$92,489,000).
- (d) As at 30 June 2025, the Group's other borrowings with an aggregate amount of HK\$164,181,000 (31 December 2024: HK\$201,026,000) were secured by the Group's investment properties with an aggregate carrying amount of HK\$417,666,000 (31 December 2024: HK\$344,645,000).
- (e) As at 30 June 2025, the Group's bank borrowings with an aggregate amount of HK\$174,766,000 (31 December 2024: HK\$296,925,000) were secured by the Group's construction in progress with a carrying amount of HK\$26,652,000 (31 December 2024: HK\$25,917,000).
- (f) As at 30 June 2025, the Group's bank borrowings and other borrowings with aggregate amounts of HK\$1,921,767,000 (31 December 2024: HK\$742,312,000) and HK\$1,978,735,000 (31 December 2024: Nil), respectively, were guaranteed by certain third parties.
- (g) As at 30 June 2025, bank and other borrowings of HK\$5,557,153,000 (31 December 2024: HK\$4,940,943,000) were denominated in Renminbi. As at 30 June 2025 and 31 December 2024, no bank and other borrowings were denominated in Hong Kong dollars.
- (h) As at 30 June 2025 and 31 December 2024, all bank and other borrowings bear interest at fixed interest rates.

## Notes to Interim Condensed Consolidated Financial Information

30 June 2025

**15 SHARE CAPITAL****Shares**

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	<b>31 December 2024 HK\$'000 (Audited)</b>
Authorised:		
1,500,000,000 ordinary shares of HK\$0.1 each	<u><b>150,000</b></u>	<u>150,000</u>
Issued and fully paid:		
799,557,415 ordinary shares of HK\$0.1 each	<u><b>79,956</b></u>	<u>79,956</u>

## 16 ASSETS AND LIABILITIES OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 30 May 2024, the Group entered into a sale and purchase agreement with an independent third party, pursuant to which the Group conditionally agreed to sell and the purchaser conditionally agreed to purchase its entire equity interest in Hillstar Corporate Limited ("Hillstar Corporate"), at the aggregate consideration of HK\$33,750,000. Hillstar Corporate is an investment holding company and its subsidiaries are principally engaged in property investment in United Kingdom. Further details of the disposal were set out in the announcements of the Company dated 30 May 2024 and 28 June 2024. The transaction has been completed on 26 July 2024.

The assets and liabilities of Hillstar Corporate and its subsidiaries (excluding amounts due from/to group companies which were eliminated on consolidation) as at 30 June 2024 are as follows:

	30 June 2024 HK\$'000 (Unaudited)
<b>Assets</b>	
Investment property	463,890
Other receivables, deposits and prepayments	1,750
Cash and bank balances	<u>5,903</u>
Assets of a disposal group classified as held for sale	<u><u>471,543</u></u>
<b>Liabilities</b>	
Other payables and accrued expenses	10,222
Tax payable	1,010
Other borrowing	<u>460,425</u>
Liabilities of a disposal group classified as held for sale	<u><u>471,657</u></u>
Net liabilities of a disposal group	<u><u>(114)</u></u>

The other borrowing bears interest at fixed interest rate and is denominated in Hong Kong dollar. The other borrowing is repayable in second year based on the scheduled repayment date. The other borrowing is secured by share charges in respect of the equity interests in Super Gain Ventures Limited and Unique Time Investments Limited, investment property which has been included in assets of a disposal group classified as held for sale with an aggregate carrying amount of HK\$463,890,000 and corporate guarantee by the Company up to HK\$480,000,000. The carrying amount of the other borrowing approximates to its fair value.

# Notes to Interim Condensed Consolidated Financial Information

30 June 2025

## 17 FINANCIAL GUARANTEES

The Group had the following financial guarantees:

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	31 December 2024 HK\$'000 (Audited)
Guarantees in respect of mortgage facilities provided for certain purchasers of the Group's properties	<b><u>8,417,584</u></b>	<u>7,419,651</u>

At the end of the reporting period, the Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, in the event of default on mortgage payments by these purchasers before the expiry of the guarantees, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulted purchasers to the banks, net of any sales proceeds as described below.

Pursuant to the above arrangement, the related properties were pledged to the banks as collateral for the mortgage loans. The banks are entitled to take over the legal titles and will realise the pledged properties through open auction or other appropriate means in the event of default on mortgage repayments by these purchasers.

The Group is responsible for repaying the banks when the proceeds from the auction of the properties cannot cover the outstanding mortgage principals together with the accrued interest and penalties. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon the issuance of real estate ownership certificates to the purchasers.

The fair value of the guarantees is not significant and the directors of the Company consider that in the event of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalties and therefore no provision has been made in the unaudited interim condensed consolidated financial information for the guarantees.

## 18 CAPITAL COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	<b>31 December 2024 HK\$'000 (Audited)</b>
Capital expenditure for construction of properties under development and investment properties	<b>4,076,302</b>	6,475,622
Capital expenditure for construction of property, plant and equipment	<b>64,728</b>	21,492
Capital expenditure for acquisition of land use rights for property development	<b>—</b>	1,240,483
Total	<b><u>4,141,030</u></b>	<b><u>7,737,597</u></b>

## 19 RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group:

	<b>Unaudited Six months ended 30 June 2025 HK\$'000</b>	<b>2024 HK\$'000</b>
Short term employee benefits	<b>3,124</b>	4,142
Post-employment benefits	<b>43</b>	32
Total compensation paid to key management personnel	<b><u>3,167</u></b>	<b><u>4,174</u></b>

# Notes to Interim Condensed Consolidated Financial Information

30 June 2025

## 20 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The fair value of an equity investment designated at fair value through other comprehensive income is based on quoted market prices. The fair values of cash and bank balances, trade and retention payables, financial assets included in other receivables, deposits and prepayments, financial liabilities included in other payables and accrued expenses, and the current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the non-current portion of other receivables and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities which is categorised within Level 2 of the fair value hierarchy. The fair value of the non-current portion of other receivables approximates to its carrying amount. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 30 June 2025 and 31 December 2024 were assessed to be insignificant.

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instrument:

#### Asset measured at fair value:

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
<b>At 30 June 2025 (Unaudited)</b>				
Equity investment designated at fair value through other comprehensive income	<u>1,200</u>	<u>–</u>	<u>–</u>	<u>1,200</u>
<b>At 31 December 2024 (Audited)</b>				
Equity investment designated at fair value through other comprehensive income	<u>1,200</u>	<u>–</u>	<u>–</u>	<u>1,200</u>

During the period for the six months ended 30 June 2025/the year ended 31 December 2024, there were no transfers into or out of Level 1 fair value measurement.

The Group did not have any financial liabilities measured at fair value as at 30 June 2025 (31 December 2024: Nil).

## 21 APPROVAL OF THE INTERIM FINANCIAL INFORMATION

This unaudited interim condensed consolidated financial information was approved by the board of directors on 28 August 2025.