



Nanyang Holdings Limited

(incorporated in Bermuda with limited liability)

Stock Code: 212



INTERIM REPORT 2025

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This document in both English and Chinese is now available in printed form and on the website of the Company at <http://www.nanyangholdingslimited.com>.

GROUP FINANCIAL HIGHLIGHTS

	Unaudited Six months ended 30 June		
	2025 HK\$'000	2024 HK\$'000	Variance
Revenue and other income	169,417	144,185	17%
Profit/(loss) attributable to equity holders of the Company	27,528	(43,740)	163%
Profit attributable to equity holders of the Company after excluding: – changes in fair value of investment properties and related tax effects	119,226	142,709	(16%)
	146,754	98,969	48%
Earnings/(loss) per share	HK\$0.81	HK\$(1.29)	163%
Earnings per share – after excluding the changes in fair value of investment properties and related tax effects	HK\$4.32	HK\$2.91	48%

The Board of Directors of Nanyang Holdings Limited (“the Company”) announces that the unaudited Group results for the six months ended 30 June 2025 reported a profit attributable to equity holders of HK\$27.5 million (2024: same period loss of HK\$43.7 million). The current period’s result comprised the dividend receivable from The Shanghai Commercial & Savings Bank, Ltd., in respect of its 2024 earnings of approximately HK\$72.2 million (after netting 21% withholding tax); and the investment income from financial assets at fair value through profit or loss of HK\$2.7 million and net realised and unrealised gains from financial assets at fair value through profit or loss of approximately HK\$38.3 million. It also includes the change in fair value of investment properties (including those owned by a joint venture), which is non-cash and unrealised, resulted in a net loss of HK\$119.2 million (2024: same period loss of HK\$142.7 million). However, if excluding the net effect of the change in fair value of the investment properties (including those owned by a joint venture), the first half of 2025 would have shown a profit attributable to equity holders of HK\$146.8 million (2024: same period profit of HK\$99 million). Earnings per share were HK\$0.81 (2024: same period loss of HK\$1.29). However, if the net effect of the change in fair value of the investment properties (including those owned by a joint venture) had been excluded, earnings per share would have been HK\$4.32 (2024: same period earnings of HK\$2.91). During the period, fair value gains of approximately HK\$580.6 million on the financial assets at fair value through other comprehensive income was recorded in the other comprehensive income, as compared to fair value losses of approximately HK\$155.4 million in the same period of 2024.

Business Review and Prospects

Real Estate

Hong Kong

The real estate sector in Hong Kong continued to experience a challenging operating environment in the first half of 2025. Persistent weak economic sentiment and ample supply in the Kwun Tong area depressed occupancy and rental levels further. Of the 290,000 sq.ft. of I/O space the Group holds at Nanyang Plaza, in Kwun Tong, 80.9% is leased.

Shanghai

After a lengthy discussion of about two years, we are delighted to advise that the outstanding issue we had at Sung Nan (of which we hold 64.68%), was resolved. Sung Nan’s business licence was extended to 31 May 2042 and the joint venture obtained an updated property certificate indicating the right to continue to use the properties during the period. The operation is running smoothly. We look forward to its contribution to the Group’s earnings.

Shenzhen

Southern Textile Company Limited, the joint venture of which the Group owns 45%, continued to contribute to the Group’s earnings. Its main asset, a factory building, is fully leased to third parties.

Business Review and Prospects *(Continued)*

Financial Investments

In the new year, the global economy is facing structural changes due to the unpredictability of tariffs and continued geopolitical tensions. However, performance of the world equity markets was steady. The U.S. economy was supported by modest inflation and the U.S. equity markets hovered around all-time highs. The China and Hong Kong markets benefitted from the fiscal and monetary policies announced by the PRC government. During this period, we increased investments in U.S. and Japanese equities through Exchange-traded Funds (ETFs). For the six months ended 30 June 2025, the investment portfolios, including cash held in the portfolios, increased by approximately 8.7%. Financial assets at fair value through profit or loss, classified as current assets, totalled HK\$459.2 million. This represented approximately 8.7% of the total assets of the Group. The Group recorded net realised and unrealised fair value gains of HK\$38.3 million or equivalent to approximately US\$4.9 million and investment income of HK\$2.7 million or equivalent to approximately US\$0.3 million. Equities comprised approximately 68.7% (of which U.S. 60%; European 17.2%; Japanese 3.9%; Asia ex-Japan and others 7.7% and Emerging Markets 11.2%), bonds 19.3% (of which U.S. 59%; European 23.3%; Emerging Markets and others 17.7%), commodities 5% and cash 7%.

Going into July, the U.S. labour market is showing signs of weakness. Investors anticipate the U.S. Federal Reserve may start cutting rates in the remaining part of the year. Also, continuous measures by the PRC government to stimulate local consumer demand and positive news from the U.S./China tariff negotiations may lead to better performance in the PRC and the Hong Kong equity markets. We commenced increasing exposure to PRC and Hong Kong equities and also diversifying currency away from U.S. Dollars. As at 18 August 2025, the latest practicable date, the portfolios increased year-to-date by 11.1% and the value including cash held in the portfolios, stood at approximately US\$64.3 million or HK\$502 million.

It is hopeful that the U.S. Federal Reserve may cut interest rates a couple times before the end of this year. This would stabilize the markets in case of any substantial decline.

Business Review and Prospects *(Continued)*

Financial Investments *(Continued)*

The Group has an investment in a licensed bank incorporated in Taiwan, The Shanghai Commercial & Savings Bank, Ltd. (“SCSB”). The shares are listed on the Taiwan Stock Exchange Corporation (Stock Code: 5876). The Group holds a total of 190,585,095 SCSB shares representing approximately 3.9% of the issued share capital of SCSB. This investment of HK\$2,354.9 million has been classified under non-current assets as financial assets at fair value through other comprehensive income (representing approximately 44.8% of the total assets of the Group). There is no intention to dispose of the investment within 12 months of this report date. The Group received a net cash dividend of approximately HK\$72.2 million from SCSB’s 2024 earnings (2024: received approximately HK\$64.1 million from SCSB’s 2023 earnings).

Presently SCSB has 81 branches in Taiwan and one branch each in Hong Kong, Vietnam, Singapore and Wuxi, China. They also have four representative offices, in Jakarta Indonesia, Bangkok Thailand, Phnom Penh Cambodia and Bac Ninh Vietnam. SCSB holds a 57.6% interest in Shanghai Commercial Bank Limited (“SCB”) in Hong Kong. SCB has 44 branches in Hong Kong, three branches in China and four branches overseas. The audited net profit attributable to owners of SCSB for the period ended 30 June 2025 was approximately NT\$7,804.1 million (2024 same period: net profit of NT\$5,802.9 million). Total equity attributable to owners of SCSB at 30 June 2025 was approximately NT\$187,311.4 million (31/12/2024: approximately NT\$197,928.7 million). (These figures were extracted from SCSB’s website at <http://www.scsb.com.tw>.)

Financial Position

The Group’s investment properties with an aggregate carrying value of HK\$1,905 million (31/12/2024: HK\$2,011 million) have been mortgaged to a bank to secure general banking facilities. As at 30 June 2025 and 31 December 2024, no bank facilities were utilized. Debt to equity ratio increased from 0.01% as at 31 December 2024 to 0.16% as at 30 June 2025. Debt was represented by lease liabilities and equity was total equity of the Group. At the end of the period, the Group had net current assets of HK\$673.4 million (31/12/2024: HK\$571.5 million).

Purchase, Sale or Redemption of Shares

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

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2025, the interests and short positions of the Directors and chief executive in the shares, underlying shares and debentures of the Company or any 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 under Section 352 of the SFO and so far as is known to the Directors, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited 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 of Hong Kong Limited (the "Listing Rules") were as follows:

Name	Shares of HK\$0.10 each of the Company				% of issued share capital
	Personal interests	Family interests	Corporate interests	Total	
Hung Ching Yung (Note 1)	4,825,227	147,854	–	4,973,081	14.64%
Lincoln C. K. Yung	2,378,000	10,000	5,500,000 (Note 2)	7,888,000	23.22%
John Con-sing Yung	2,575,045	37,000	5,500,000 (Note 2)	8,112,045	23.88%
Yung Ka Sing, Kathryn	3,218,818	–	–	3,218,818	9.48%

Notes:

1. Mr. Hung Ching Yung (the then Executive Director and Managing Director) deceased on 3 March 2022.
2. As stated below, Mr. Lincoln C.K. Yung and Mr. John Con-sing Yung are taken to be interested in the same 5,500,000 shares owned by a substantial shareholder, Tankard Shipping Co. Inc., pursuant to the SFO.

During the period, the Company has not granted to any Directors, chief executive or their respective spouses or children under 18 years of age any rights to subscribe for shares of the Company and its associated corporations.

At no time during the period was the Company, its subsidiaries or its associated corporations a party to any arrangements to enable the Directors or chief executive or any of their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any of its associated corporations.

Interests and Short Positions of Substantial Shareholders in Shares and Underlying Shares

As at 30 June 2025, the Register of Substantial Shareholders' Interests and Short Positions maintained under Section 336 of the SFO shows that the following party, other than the Directors as disclosed above, was interested in 5 per cent or more of the issued share capital of the Company:

	Number of shares	% of issued share capital
Tankard Shipping Co. Inc.	5,500,000 (Note)	16.19%

Note: Tankard Shipping Co. Inc. was owned as to 90% and 10% by Mr. Lincoln C. K. Yung and Mr. John Con-sing Yung. By virtue of the SFO, each of them was deemed to be interested in the ordinary shares/underlying shares of the Company in which Tankard Shipping Co. Inc. had interest or was deemed to have interest.

Employees

The Group employed 13 employees as at 30 June 2025 (2024: 13). Remuneration is determined by reference to the qualifications and experience of the staff concerned. Salaries and discretionary bonuses are reviewed annually. The Group also provides other benefits including medical cover and provident fund.

On behalf of the Board of Directors, I would like to take this opportunity to thank the entire staff for their contribution to the Group.

Corporate Governance

None of the Directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 June 2025, in compliance with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules.

Code for Dealing in Company's Securities by Directors

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules. Having made specific enquiry of all Directors, the Company's Directors confirmed that they have complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2025.

Audit Committee and Review of Results

The Audit Committee of the Company has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls, risk management and financial reporting matters including a review of the Interim condensed consolidated financial statements for the six months ended 30 June 2025 with the management. The unaudited interim financial statements of the Group for the six months ended 30 June 2025 have been reviewed by the Group's external auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditors of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Six months ended 30 June	
	Note	2025	2024
		HK\$'000	HK\$'000
Revenue	6	131,099	121,532
Other income	6	38,318	22,653
Revenue and other income	6	169,417	144,185
Direct costs		(11,437)	(10,988)
Gross profit		157,980	133,197
Administrative expenses		(18,983)	(18,106)
Other operating income/(expenses), net		860	(450)
Changes in fair value of investment properties		(117,000)	(141,000)
Operating profit/(loss)	7	22,857	(26,359)
Finance income	8	2,491	1,856
Finance expense	8	(145)	(43)
Share of profit of joint ventures	14	24,976	650
Profit/(loss) before income tax		50,179	(23,896)
Income tax expense	9	(22,651)	(19,844)
Profit/(loss) attributable to equity holders of the Company		27,528	(43,740)
Earnings/(loss) per share (basic and diluted)	10	HK\$0.81	HK\$(1.29)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Profit/(loss) for the period	27,528	(43,740)
Other comprehensive income/(expense)		
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	22,181	(2,894)
Items that may not be reclassified subsequently to profit or loss		
Fair value gains/(losses) on financial assets at fair value through other comprehensive income	580,600	(155,413)
Other comprehensive income/(expense) for the period, net of tax	602,781	(158,307)
Total comprehensive income/(expense) for the period attributable to equity holders of the Company	630,309	(202,047)

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2025

	Note	30 June 2025 HK\$'000	31 December 2024 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	12	56	71
Right-of-use assets		7,931	437
Investment properties	13	2,030,000	2,147,000
Investments in joint ventures	14	91,998	80,650
Financial assets at fair value through other comprehensive income	15	2,360,753	1,765,019
Non-current financial assets at fair value through profit or loss	17	5,663	6,709
		<u>4,496,401</u>	<u>3,999,886</u>
Current assets			
Trade and other receivables	16	118,714	12,120
Financial assets at fair value through profit or loss	17	459,189	412,870
Cash and bank balances			
– Pledged bank deposits		–	1,535
– Cash and cash equivalents		182,237	205,359
		<u>760,140</u>	<u>631,884</u>
Total assets		<u>5,256,541</u>	<u>4,631,770</u>
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	18	3,397	3,397
Other reserves		1,901,886	1,299,105
Retained profits		3,228,908	3,238,745
Total equity		<u>5,134,191</u>	<u>4,541,247</u>
LIABILITIES			
Non-current liabilities			
Lease liabilities		5,160	–
Deferred income tax liabilities	19	28,928	28,626
Other non-current liability		1,510	1,508
		<u>35,598</u>	<u>30,134</u>
Current liabilities			
Trade and other payables	20	60,954	59,003
Current income tax liabilities		22,801	938
Lease liabilities		2,997	448
		<u>86,752</u>	<u>60,389</u>
Total liabilities		<u>122,350</u>	<u>90,523</u>
Total equity and liabilities		<u>5,256,541</u>	<u>4,631,770</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended 30 June 2025			
	Attributable to equity holders of the Company			
	Share capital HK\$'000	Other reserves (Note) HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
Balance at 1 January 2025	3,397	1,299,105	3,238,745	4,541,247
Profit for the period	-	-	27,528	27,528
Other comprehensive income for the period	-	602,781	-	602,781
Total comprehensive income for the period	-	602,781	27,528	630,309
Transactions with owners, recognised directly in equity:				
Dividends relating to 2024 paid in June 2025 (Note 11)	-	-	(37,365)	(37,365)
	-	-	(37,365)	(37,365)
Balance at 30 June 2025	3,397	1,901,886	3,228,908	5,134,191

	Six months ended 30 June 2024			
	Attributable to equity holders of the Company			
	Share capital HK\$'000	Other reserves (Note) HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
Balance at 1 January 2024	3,397	1,776,934	3,430,316	5,210,647
Loss for the period	-	-	(43,740)	(43,740)
Other comprehensive expense for the period	-	(158,307)	-	(158,307)
Total comprehensive expense for the period	-	(158,307)	(43,740)	(202,047)
Transactions with owners, recognised directly in equity:				
Dividends relating to 2023 paid in May 2024 (Note 11)	-	-	(44,158)	(44,158)
	-	-	(44,158)	(44,158)
Balance at 30 June 2024	3,397	1,618,627	3,342,418	4,964,442

Note: Other reserves mainly represent financial assets at fair value through other comprehensive income reserve.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Net cash inflows from operating activities	8,429	19,646
Net cash inflows from investing activities	2,965	2,215
Cash flows from financing activities		
Dividends paid	(37,365)	(44,158)
Principal elements of lease payments	(1,355)	(1,755)
Decrease in pledged bank deposits	1,535	240
Net cash outflows from financing activities	(37,185)	(45,673)
Net decrease in cash and cash equivalents	(25,791)	(23,812)
Cash and cash equivalents at 1 January	205,359	125,278
Currency translation difference	2,669	(33)
Cash and cash equivalents at 30 June	182,237	101,433
Analysis of cash and cash equivalents		
Cash and bank balances	182,237	101,433

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 General information

Nanyang Holdings Limited (“the Company”) is a limited liability company incorporated in Bermuda. The address of its office in Hong Kong is Room 1808 St George’s Building, 2 Ice House Street, Central, Hong Kong.

The Company is listed on The Stock Exchange of Hong Kong Limited.

The Company and its subsidiaries (together “the Group”) are engaged in property investment and investment holding and trading.

This condensed consolidated interim financial information (“Interim Financial Information”) is presented in thousands of Hong Kong dollars (HK\$’000), unless otherwise stated. This Interim Financial Information has been approved for issue by the Board of Directors on 22 August 2025.

2 Basis of preparation

This Interim 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” issued by the Hong Kong Institute of Certified Public Accountants.

This Interim Financial Information should be read in conjunction with the 2024 annual financial statements, which have been prepared in accordance with HKFRS Accounting Standards.

3 Accounting policies

The accounting policies and methods of computation used in the preparation of the Interim Financial Information are consistent with those used in the 2024 annual financial statements, except for the adoption of amendments to standards effective for the year ending 31 December 2025.

(a) Amendments to standards that are effective in current accounting period

During the period ended 30 June 2025, the Group has adopted the following amendments to standards which are mandatory for accounting periods beginning on 1 January 2025:

Amendments to HKAS 21 and Lack of Exchangeability
HKFRS 1

The adoption of amendments to standards does not have any significant change to the accounting policies or any significant effect on the results and financial position of the Group.

3 Accounting policies *(Continued)*

(b) New standards and amendments to standards and interpretation that are not yet effective and have not been early adopted by the Group

The following new standards and amendments to standards and interpretation have been published which are mandatory for the Group's accounting periods beginning on or after 1 January 2026 or in later periods but have not been early adopted by the Group:

Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments ⁽¹⁾
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ⁽¹⁾
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11 ⁽¹⁾
HKFRS 18	Presentation and Disclosure in Financial Statements ⁽²⁾
HKFRS 19	Subsidiaries without Public Accountability Disclosures ⁽²⁾
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ⁽²⁾
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁽³⁾

⁽¹⁾ Effective for accounting periods beginning on or after 1 January 2026

⁽²⁾ Effective for accounting periods beginning on or after 1 January 2027

⁽³⁾ Effective date is to be determined

The Group has already commenced an assessment of the impact of the above new standards and amendments to standards and interpretations. The adoption may have an impact on the presentation and disclosures of the financial statement but does not expect to have significant impact to the results of operations and financial position of the Group.

4 Financial risk management

The Group's investment activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. The types of financial risk to which the Group is exposed are market risk (including equity price risk, foreign currency risk and interest rate risk), credit and counterparty risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects it may have on the Group's financial performance.

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 Group's annual financial statements as at 31 December 2024.

There have been no changes in any risk management policies since the year end.

4 Financial risk management *(Continued)*

Fair value estimation

The table below analyses financial instruments carried at fair value, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- 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 assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2025. See Note 13 for disclosures of the investment properties that are measured at fair value.

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Assets				
Non-current financial assets at fair value through profit or loss	-	-	5,663	5,663
Current financial assets at fair value through profit or loss	336,906	112,557	9,726	459,189
Financial assets at fair value through other comprehensive income	2,360,753	-	-	2,360,753
Total assets	2,697,659	112,557	15,389	2,825,605

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2024.

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Assets				
Non-current financial assets at fair value through profit or loss	-	-	6,709	6,709
Current financial assets at fair value through profit or loss	302,661	101,640	8,569	412,870
Financial assets at fair value through other comprehensive income	1,765,019	-	-	1,765,019
Total assets	2,067,680	101,640	15,278	2,184,598

4 Financial risk management *(Continued)*

Fair value estimation *(Continued)*

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between any level during the period.

5 Critical accounting estimates and judgements

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

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

6 Revenue and other income and segment information

Revenue mainly comprises rental income and management fee income from investment properties, investment income from financial assets at fair value through profit or loss and dividend income from financial assets at fair value through other comprehensive income. Other income represents net realised and unrealised gains on financial assets at fair value through profit or loss. Revenue and other income recognised during the period comprises the following:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Revenue		
Gross rental income from investment properties	30,589	31,265
Investment income from financial assets at fair value through profit or loss	2,698	2,719
Dividend income from financial assets at fair value through other comprehensive income	91,837	81,530
Management fee income from investment properties	5,812	5,852
Other	163	166
	131,099	121,532
Other income		
Net realised and unrealised gains on financial assets at fair value through profit or loss	38,318	22,653
Revenue and other income	169,417	144,185

The Group is organised on a worldwide basis into two main business segments:

- Real estate – investment in and leasing of industrial/office premises
- Financial investments – holding and trading of investment securities

There are no sales or other transactions between the business segments.

6 Revenue and other income and segment information (Continued)

The segment results for the six months ended 30 June 2025 are as follows:

	Real estate HK\$'000	Financial investments HK\$'000	Total HK\$'000
Revenue and other income	36,401	133,016	169,417
Segment result	(89,375)	131,215	41,840
Corporate expenses			(18,983)
Finance income			2,491
Finance expense			(145)
Share of profit of joint ventures	24,976	–	24,976
Profit before income tax			50,179
Income tax expense			(22,651)
Profit attributable to equity holders of the Company			27,528
Other items			
Direct costs (Note)	(10,211)	(1,226)	(11,437)
Depreciation of right-of-use assets	–	–	(1,569)
Depreciation of property, plant and equipment	(7)	(16)	(23)
Fair value losses on investment properties	(117,000)	–	(117,000)

The segment results for the six months ended 30 June 2024 are as follows:

	Real estate HK\$'000	Financial investments HK\$'000	Total HK\$'000
Revenue and other income	37,117	107,068	144,185
Segment result	(113,660)	105,407	(8,253)
Corporate expenses			(18,106)
Finance income			1,856
Finance expense			(43)
Share of profit of joint ventures	650	–	650
Loss before income tax			(23,896)
Income tax expense			(19,844)
Loss attributable to equity holders of the Company			(43,740)
Other items			
Direct costs (Note)	(9,854)	(1,134)	(10,988)
Depreciation of right-of-use assets	–	–	(1,747)
Depreciation of property, plant and equipment	(11)	(12)	(23)
Fair value losses on investment properties	(141,000)	–	(141,000)

Note: Direct costs mainly include property management expenses and financial investment management fee.

6 Revenue and other income and segment information (Continued)

Reportable segments' assets and liabilities are reconciled to total assets and liabilities below. Segment assets exclude investments in joint ventures and right-of-use assets and segment liabilities exclude deferred income tax liabilities, lease liabilities and other non-current liability which are managed on a central basis.

The segment assets and liabilities as at 30 June 2025 are as follows:

	Real estate HK\$'000	Financial investments HK\$'000	Total HK\$'000
Segment assets	2,030,017	3,126,595	5,156,612
Right-of-use assets			7,931
Investments in joint ventures	91,998	–	91,998
			5,256,541
Segment liabilities	56,215	27,540	83,755
Unallocated liabilities			38,595
			122,350

The segment assets and liabilities as at 31 December 2024 are as follows:

	Real estate HK\$'000	Financial investments HK\$'000	Total HK\$'000
Segment assets	2,147,017	2,403,666	4,550,683
Right-of-use assets			437
Investments in joint ventures	80,650	–	80,650
			4,631,770
Segment liabilities	54,853	5,090	59,943
Unallocated liabilities			30,580
			90,523

6 Revenue and other income and segment information *(Continued)*

The Company is incorporated in Bermuda and is domiciled in Hong Kong. The Group's revenue and other income from Hong Kong and from other countries for the period ended 30 June is analysed as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Hong Kong	39,106	38,193
United States of America	21,122	12,473
Europe	15,847	12,079
Taiwan	91,355	81,166
Other countries	1,987	274
	169,417	144,185

At 30 June 2025, the total of non-current assets other than financial instruments located/operated in Hong Kong and in Mainland China are as follows:

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Hong Kong	2,037,961	2,147,472
Mainland China	92,024	80,686
	2,129,985	2,228,158

7 Operating profit/(loss)

Operating profit/(loss) is stated after charging the following:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Depreciation of property, plant and equipment	23	23
Depreciation of right-of-use assets	1,569	1,747
Employee benefit expense (including directors' emoluments)	12,523	12,269
Management fee expense in respect of investment properties	7,141	7,075

8 Finance income/(expense)

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Finance income		
Bank interest income	<u>2,491</u>	<u>1,856</u>
Finance expense		
Interest expense on lease liabilities and other non-current liability	<u>(145)</u>	<u>(43)</u>

9 Income tax expense

Hong Kong profits tax has been provided at 16.5% (2024: 16.5%) of the estimated assessable profits for the period. Withholding tax on dividend income from overseas investments has been calculated at the rates of taxation prevailing in the countries in which the investees operate.

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
– Hong Kong profits tax	1,645	1,823
– Withholding tax	20,704	17,045
Deferred income tax	<u>302</u>	<u>976</u>
	<u>22,651</u>	<u>19,844</u>

10 Earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2025	2024
Earnings/(loss) (HK\$'000)		
Profit/(loss) attributable to equity holders of the Company	<u>27,528</u>	<u>(43,740)</u>
Number of shares (thousands)		
Weighted average number of ordinary shares in issue	<u>33,968</u>	<u>33,968</u>
Earnings/(loss) per share (HK\$)		
Basic and diluted (Note)	<u>0.81</u>	<u>(1.29)</u>

Note: The Company has no dilutive potential ordinary shares and diluted earnings/(loss) per share are equal to basic earnings/(loss) per share.

11 Dividends

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
2024 final dividend paid of HK\$0.70 (2024: 2023 final dividend paid of HK\$0.70) per share	23,778	23,778
2024 special dividend paid of HK\$0.40 (2024: 2023 special dividend paid of HK\$0.60) per share	13,587	20,380
	37,365	44,158

The Directors have not declared an interim dividend for the six months ended 30 June 2025 (2024: nil).

12 Property, plant and equipment

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Property, plant and equipment	56	71

Movement during the period is set out below:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Net book amount as at 1 January	71	115
Additions	8	2
Depreciation	(23)	(23)
Net book amount as at 30 June	56	94

13 Investment properties

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Investment properties	2,030,000	2,147,000

Movement during the period is set out below:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
At fair value		
Balance at 1 January	2,147,000	2,421,000
Fair value changes	(117,000)	(141,000)
Balance at 30 June	2,030,000	2,280,000

13 Investment properties *(Continued)*

The Group's investment properties with an aggregate carrying value of HK\$1,905,000,000 (31 December 2024: HK\$2,011,000,000) have been mortgaged to a bank to secure general banking facilities. As at 30 June 2025 and 31 December 2024, no bank facilities were utilised.

Valuation processes of the Group

The basis of the valuation of investment properties is fair value, being the amount for which the property could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases. The investment properties were revalued by Prudential Surveyors (Hong Kong) Limited, an independent qualified valuer not related to the Group, who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued, at 30 June 2025. For all investment properties, their current use equates to the highest and best use.

The Group's finance department reviews the valuations performed by the independent valuer for financial reporting purposes. This department reports directly to the senior management. Discussions of valuation processes and results are held between the management and valuer at least once every six months, in line with the Group's interim and annual reporting dates.

At each financial reporting dates the finance department:

- Verifies all major inputs to the independent valuation report;
- Assesses property valuations movements when compared to the prior period valuation report;
- Holds discussions with the independent valuer.

Valuation techniques

Fair value measurements using significant unobservable inputs

Fair values of completed industrial and commercial properties in Hong Kong are generally derived using direct comparison method. Direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have been 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.

As at 30 June 2025, all investment properties are included in level 3 fair value hierarchy.

There were no changes in valuation techniques during the period and there were no transfers between fair value hierarchies during the period.

13 Investment properties (Continued)

Significant inputs used to determine fair value

Information about fair value measurements using significant unobservable inputs for the Group's principal investment properties

Descriptions	Fair value		Valuation techniques	Unobservable inputs	Relationship of unobservable inputs of fair value
	30 June 2025 HK\$'000	31 December 2024 HK\$'000			
Commercial	1,937,000	2,047,000	Direct comparison	Average unit rate – HK\$5,314 – HK\$8,607 per square feet (31 December 2024: HK\$5,710 – HK\$9,683 per square feet) Carpark: HK\$1,760,000 – HK\$2,440,000 per unit (31 December 2024: HK\$1,720,000 – HK\$2,320,000 per unit)	The higher the average unit rates, the higher the fair value
Industrial	93,000	100,000	Direct comparison	Average unit rate – HK\$2,184 per square feet (31 December 2024: HK\$2,355 per square feet) Carpark: HK\$690,000 – HK\$830,000 per unit (31 December 2024: HK\$660,000 – HK\$790,000 per unit)	The higher the average unit rates, the higher the fair value
	<u>2,030,000</u>	<u>2,147,000</u>			

At 30 June 2025, sensitivity analysis has been performed to assess the impact on the valuations of changes in the unobservable inputs for average unit rates. The results are shown in the table below:

	Increase/(decrease) in valuation		
	Change in assumption %	Increase in assumption HK\$'000	Decrease in assumption HK\$'000
Average unit rates	5	101,500	(101,500)

14 Investments in joint ventures

In respect of a joint venture of the Group, Shanghai Sung Nan Textile Co., Ltd. (“Sung Nan”), as at 31 December 2024, the Group accounted for its share of result of this joint venture up to 31 March 2022 as the land use right of the properties held by Sung Nan expired on 31 May 2022. During the six months ended 30 June 2025, an updated property certificate was obtained. According to the external lawyer, the obtaining of the updated property certificate indicates the joint venture has the right to continue to use the properties and to entitle to the economics benefits from the properties. Accordingly, the Group accounted for its share of the result of the joint venture from 1 June 2022 to 30 June 2025 amounting to HK\$24.8 million in the condensed consolidated income statements for the six months ended 30 June 2025. On 18 June 2025, Sung Nan declared the distribution of dividends of RMB16.9 million (approximately HK\$18.2 million). As at 30 June 2025, the Group accounted for its share of the dividend income of HK\$11.8 million as a reduction of the Group’s carrying amount of the investment in the joint venture. The dividend receivable has been subsequently received by the Group in July 2025.

15 Financial assets at fair value through other comprehensive income

The financial assets at fair value through other comprehensive income are primarily the Group’s investment in The Shanghai Commercial & Savings Bank, Ltd. (“SCSB”), a licensed bank in Taiwan and whose shares are listed on the Taiwan Stock Exchange, representing approximately 3.9% of the total issued share capital of SCSB, which is stated at fair value.

16 Trade and other receivables

	30 June 2025 HK\$’000	31 December 2024 HK\$’000
Trade receivables (Note a)	286	425
Other receivables, prepayments and deposits	10,712	11,248
Dividend receivables	107,448	–
Amounts due from joint ventures (Note b)	268	447
	118,714	12,120

Notes:

- (a) The Group does not grant any credit period to its customers. At 30 June 2025, the aging analysis of the trade receivables is as follows:

	30 June 2025 HK\$’000	31 December 2024 HK\$’000
Within 30 days	130	425
31–60 days	79	–
61–90 days	77	–
	286	425

- (b) The amounts due from joint ventures are unsecured, interest-free and repayable on demand.

17 Financial assets at fair value through profit or loss

As at 30 June 2025, there are no banking facilities held by the Group that require pledge of financial assets at fair value through profit or loss or bank deposit as security. As at 31 December 2024, the Group's financial assets at fair value through profit or loss with an aggregate carrying value of HK\$206,426,000 together with the bank deposit of HK\$1,535,000 have been secured for banking facilities.

18 Share capital

	Number of shares	Amount HK\$'000
Ordinary share, issued and fully paid:		
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	33,967,738	3,397

19 Deferred income tax

Deferred income tax is calculated in full on temporary differences under the liability method.

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Deferred income tax liabilities		
– to be settled after more than 12 months	(28,928)	(28,626)

The movement on the deferred income tax liabilities is as follows:

	Accelerated tax depreciation 30 June 2025 HK\$'000	31 December 2024 HK\$'000
Balance at 1 January	(28,626)	(27,911)
Charged to the consolidated income statement (Note 9)	(302)	(715)
Balance at 30 June/31 December	(28,928)	(28,626)

Deferred income tax assets are recognised for tax losses carried forwards to the extent that the realisation of the related tax benefit through future taxable profit is probable. The Group did not recognise deferred income tax assets of HK\$55,000 (31 December 2024: HK\$55,000) in respect of tax losses amounting to HK\$334,000 (31 December 2024: HK\$334,000). These tax losses have no expiry date.

20 Trade and other payables

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Trade payables	3,490	2,355
Rental and management fee deposits	21,395	20,545
Other payables and accruals	36,069	36,103
	60,954	59,003

At 30 June 2025, the aging analysis of trade payables is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Within 30 days	3,490	2,355

21 Related party transactions

In addition to the related party information and transactions disclosed elsewhere in the condensed consolidated interim financial information, the following is a summary of significant related party transactions entered into the ordinary course of business between the Group and its related parties during the period.

(a) Key management compensation

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
Salaries and other employee benefits	8,523	8,726
Post-employment benefits	36	36
	8,559	8,762

(b) Related party balances

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Amounts due from joint ventures (Note 16)	268	447

On behalf of the Board

Nicholas Timothy James Colfer
Chairman

Hong Kong, 22 August 2025