



載通國際
Transport International



2025
Interim Report

Transport International Holdings Limited

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INTERIM RESULTS

The Group's unaudited underlying profit attributable to equity shareholders for the six months ended 30 June 2025, excluding the effect of the change in fair value of investment properties and investment property under development, amounted to HK\$285.1 million, compared to HK\$120.3 million for the corresponding period last year. Underlying earnings per share was HK\$0.56, compared to HK\$0.24 for the corresponding period last year.

Reported profit and reported earnings per share attributable to equity shareholders were HK\$190.0 million and HK\$0.37 respectively, compared to HK\$120.3 million and HK\$0.24 for the corresponding period last year. The reported profit included a decrease in fair value of investment properties and investment property under development of HK\$95.1 million, with no change in fair value during the corresponding period last year.

The increase in underlying profit was mainly attributable to the improvement in the financial performance of the franchised public bus operations.

INTERIM DIVIDEND

The Board has declared that an interim dividend of HK\$0.30 per share for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil), totalling HK\$157.8 million (six months ended 30 June 2024: Nil), will be paid to shareholders whose names are on the Register of Members on 10 September 2025. The interim dividend will be payable in cash, with an option granted to shareholders to receive new and fully paid ordinary shares in lieu of cash or partly in cash and partly in shares under a scrip dividend scheme (the "Scrip Dividend Scheme"). The new shares will, on issue, not be entitled to the aforesaid interim dividend, but will rank pari passu in all other respects with the existing shares. The circular containing details of the Scrip Dividend Scheme and the election form are expected to be sent to shareholders in mid-September 2025.

The Scrip Dividend Scheme is conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting the listing of, and permission to deal in, the new shares to be issued under the Scrip Dividend Scheme. The interim dividend and the share certificates to be issued under the Scrip Dividend Scheme are expected to be distributed and sent to shareholders on 21 October 2025.

The Register will be closed on 10 September 2025. In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on 9 September 2025.

MANAGEMENT REVIEW AND OUTLOOK

REVIEW OF OPERATIONS AND RESULTS OF INDIVIDUAL BUSINESS UNIT

Franchised Public Bus Operations

The Kowloon Motor Bus Company (1933) Limited ("KMB")

- KMB recorded a profit after taxation of HK\$176.7 million for the six months ended 30 June 2025 as compared to HK\$21.9 million for the six months ended 30 June 2024, representing an improvement of HK\$154.8 million. The improvement in results was primarily due to the increase in fare revenue and the decrease in fuel and oil costs as a result of the decrease in fuel price, but partly offset by the increase in staff costs due to pay rises.
- Fare revenue for the six months ended 30 June 2025 was HK\$3,577.9 million, an increase of HK\$138.0 million or 4.0% compared with HK\$3,439.9 million for the corresponding period in 2024. The increase was mainly due to the increase in fare revenue as a result of the fare increase with effect from 5 January 2025.
- Total operating expenses for the six months ended 30 June 2025 amounted to HK\$3,517.6 million, a decrease of HK\$72.9 million or 2.0% compared with HK\$3,590.5 million for the corresponding period in 2024. The decrease was mainly due to the decrease in fuel and oil costs as a result of the decrease in fuel price, but partly offset by the increase in staff costs due to pay rises.
- As at 30 June 2025, KMB operated a total of 446 routes (31 December 2024: 444 routes) covering Kowloon, the New Territories and Hong Kong Island. KMB completed the set-up of 31 Bus-Bus Interchanges ("BBI") in major locations across Hong Kong in 2024, and continues to review the efficiency of its bus network. The BBI hubs encouraged more passengers to take KMB/LWB bus routes by providing more choices and value-for-money services. A new BBI page was also introduced in App1933 to show locations covered by the BBI network. Routes involving the BBIs are listed by destinations, showing information such as platform numbers, location of the platforms, estimated travelling time, and interchange discounts.
- During the first half of 2025, a total of 10 Euro VI buses with the latest safety, environmental and design features were added to the fleet. As at 30 June 2025, KMB operated 3,996 buses (31 December 2024: 4,010 buses), comprising 3,853 double-deck (45 of which are electric double-deck buses) and 143 single-deck buses (26 of which are electric single-deck buses). In addition, a total of 7 electric buses and 91 Euro VI double-deck buses were awaiting licensing starting second half of 2025.

Long Win Bus Company Limited ("LWB")

- The profit after taxation of LWB for the six months ended 30 June 2025 was HK\$25.2 million, compared to HK\$21.5 million for the six months ended 30 June 2024, representing an increase of HK\$3.7 million or 17.2% compared with the corresponding period in 2024.
- Fare revenue for the six months ended 30 June 2025 increased by HK\$10.9 million or 3.6% to HK\$314.2 million compared with HK\$303.3 million for the corresponding period in 2024. The increase was mainly due to the growth in bus patronage.
- Total operating expenses for the six months ended 30 June 2025 amounted to HK\$284.9 million, an increase of HK\$6.4 million or 2.3% compared with HK\$278.5 million for the corresponding period in 2024. The increase was largely attributed to the increase in staff costs due to pay rises as well as the increase in manpower in response to the increased service levels, but partly offset by the decrease in fuel and oil costs as a result of the decrease in fuel price.
- As at 30 June 2025, LWB had 32 BBI schemes covering 43 regular bus routes, operating both within LWB's bus network and on joint inter-modal schemes run with other public transport operators. These BBI schemes provide passengers with interchange fare discounts and allow LWB to deploy its resources more effectively.
- As at 30 June 2025, LWB operated 43 regular routes with a fleet of 305 buses (31 December 2024: 283 buses), comprising 301 double-deck buses and 4 single-deck electric buses.

Non-franchised Transport Operations

The Group's Non-franchised Transport Operations Division reported a profit after taxation of HK\$11.6 million for the six months ended 30 June 2025, compared to HK\$6.2 million for the six months ended 30 June 2024. A review of the operations of the principal business units in this Division is set out as follows:

Sun Bus Holdings Limited and its subsidiaries (the "SBH Group")

- The SBH Group is one of the leading non-franchised bus operators in Hong Kong, providing customised, premium, safe, reliable, and value-for-money transport services to a wide range of customers, including large residential estates, shopping malls, major employers, travel agents and schools, as well as the general public through chartered hire services.
- The revenue of the SBH Group for the six months ended 30 June 2025 increased by 20.7% compared to the corresponding period in 2024. The increase was mainly due to business growth. Total operating costs for the six months ended 30 June 2025 also increased as a result of the rise in staff costs and other operating expenses in line with the growth of business.
- As at 30 June 2025, the SBH Group had a fleet of 395 licensed buses (31 December 2024: 409 licensed buses). During the first half of 2025, 2 new coaches were purchased for fleet replacement and service enhancement purposes.

New Hong Kong Bus Company Limited ("NHKB")

- NHKB operates a direct, economical, 24-hour cross-boundary shuttle bus service (commonly known as the "Huang Bus" service) serving regular commuters and leisure travellers between Lok Ma Chau in Hong Kong and Huanggang (皇崗) in Shenzhen.
- The revenue of the NHKB for the six months ended 30 June 2025 increase by 3.1% compared with the corresponding period last year. The increase was mainly due to the increase in bus patronage as a result of the recent trend of northbound spending for Hong Kong residents over weekends and holidays. Total operating expenses for the period remained similar level with the corresponding period last year.
- As at 30 June 2025, NHKB had a fleet of 15 super-low floor single-deck buses, the same number as at 31 December 2024.

Property Holdings and Development

The Group's Property Holdings and Development Division reported a profit after taxation of HK\$25.8 million (excluding a decrease in fair value of HK\$95.1 million on investment properties and investment property under development) for the six months ended 30 June 2025, compared to the profit after taxation of HK\$29.1 million (with no change in fair value) for the corresponding period last year. A review of the Group's investment properties is set out as follows:

KT Real Estate Limited ("KTRE")

- KTRE, a wholly-owned subsidiary of the Company, together with Turbo Result Limited ("TRL"), a subsidiary of Sun Hung Kai Properties Limited ("SHKP"), owns The Millennity situated at No. 98 How Ming Street, Kwun Tong, Kowloon, Hong Kong in equal shares as tenants in common for long-term investment purpose.
- The Millennity, a premium integrated commercial project strategically located in the heart of Kwun Tong, is close to Kwun Tong and Ngau Tau Kok MTR stations.
- The Millennity offers Grade-A offices with a gross floor area of approximately 650,000 square feet under two 20-storey towers and a large shopping mall in a 10-storey podium covering leisurely retail space of approximately 500,000 square feet. Nearly 400 parking spaces will be provided in a 4-storey parking garage in the basement, a number of which will be equipped with electric vehicle charging systems.
- Two office towers of The Millennity were completed and certain tenants moved in, commencing their operations since 2023. The podium shopping mall beneath The Millennity is scheduled to be occupied in phases in the second half of the year.
- As at 30 June 2025, the office portion of The Millennity was classified as investment property, while the remaining portion was classified as investment property under development in the consolidated statement of financial position (31 December 2024: same).

LCK Real Estate Limited ("LCKRE")

- LCKRE, a wholly-owned subsidiary of the Company, owns the 17-storey commercial office building at 9 Po Lun Street, Lai Chi Kok, Kowloon, which has a total gross floor area of about 156,700 square feet for office use and rental purposes. A portion of the gross floor area is used by the Group as headquarters with the remaining gross floor area leased out to shops, offices and restaurants, and classified as investment property in the consolidated statement of financial position.

LCK Commercial Properties Limited ("LCKCP")

- LCKCP, a wholly-owned subsidiary of the Company, owns the Manhattan Mid-town shopping mall, a two-level retail podium at Manhattan Hill. The 50,000 square feet shopping mall provides Manhattan Hill residents and other shoppers with high quality retail facilities. The shopping mall was leased out to a mix of shops and restaurants, generating a stream of recurring income for the Group and classified as investment property in the consolidated statement of financial position.

TM Properties Investment Limited ("TMPI")

- TMPI is jointly owned by TM Properties Holdings Limited ("TMPH"), an indirect wholly-owned subsidiary of the Group, and Mega Odyssey Limited ("MOL"), an indirect wholly-owned subsidiary of SHKP subsequent to the disposal of TMPH's 50% equity interest in TMPI to MOL in 2020. TMPI, the owner of the property at Tuen Mun Town Lot No. 80 in the New Territories, has become a 50%-owned joint venture of the Group.
- As at 30 June 2025, the entire lettable area of the property has been leased out to generate rental income for the Group.

China Mainland Transport Operations

As at 30 June 2025, the Group's total interests in associates within the China Mainland Transport Operations Division amounted to HK\$589.8 million (31 December 2024: HK\$569.6 million). Such investments are mainly related to the operation of public transport services in Shenzhen, as well as taxi and car rental services in Beijing. The Group's China Mainland Transport Operations Division reported similar results for the six months ended 30 June 2025, compared to the corresponding period in 2024.

Shenzhen Bus Group Company Limited (深圳巴士集團股份有限公司) ("SZBG")

- SZBG, which commenced operations in 2005, is a Sino-foreign joint stock company formed by a wholly-owned subsidiary of the Company and four other Mainland investors. The Group has invested RMB387.1 million (equivalent to HK\$363.9 million at the investment date) in SZBG, representing a stake of 35%. SZBG mainly provides public bus, minibus and taxi services in Shenzhen City, Guangdong Province (廣東省深圳市). As at 30 June 2025, it had a fleet of over 5,000 buses running on more than 300 routes and over 6,000 taxi.

Beijing Beiqi Kowloon Taxi Company Limited (北京北汽九龍出租汽車股份有限公司) (“BBKT”)

- BBKT, a Sino-foreign joint stock company, was established in Beijing in 2003. The Group has invested RMB80.0 million (equivalent to HK\$75.5 million at the investment date) in BBKT, representing an equity interest of 31.38%. Until April 2013, BBKT operated both taxi hire and car rental businesses in Beijing. To provide greater focus on the business opportunities in the booming but challenging car rental market, BBKT spun off its car rental business to another Sino-foreign joint stock company, namely Beijing Beiqi First Company Limited (北京北汽福斯特股份有限公司). As at 30 June 2025, BBKT had a fleet of over 4,500 taxis.

Beijing Beiqi First Company Limited (北京北汽福斯特股份有限公司) (“BBF”)

- BBF is a Sino-foreign joint stock company, which was established in April 2013 with the same shareholding structure as BBKT to carry on the car rental business formerly operated by BBKT. BBF had over 1,000 vehicles available for hire as at 30 June 2025.

FINANCIAL POSITION

Capital Expenditure

As at 30 June 2025, the carrying values of Group’s investment properties, investment property under development, interest in leasehold land and other property, plant and equipment (comprising buildings, buses and other motor vehicles, buses under construction, tools and others) amounted to HK\$15,260.9 million (31 December 2024: HK\$15,679.4 million). The decrease was mainly due to the reduction in fleet size. None of the assets was pledged or charged as at 30 June 2025.

During the six months ended 30 June 2025, the Group incurred capital expenditure of HK\$267.8 million (six months ended 30 June 2024: HK\$487.2 million), which was mainly used for fleet enhancement for the Group and the development of The Millennity.

FUNDING AND FINANCING

Liquidity and financial resources

The Group closely monitors its liquidity requirements and financial resources to ensure that a healthy financial position is maintained such that cash inflows from operating activities together with the Group’s reserves of cash and liquid assets and undrawn banking facilities are sufficient to meet daily operational needs, loan repayments and capital expenditure as well as potential business expansion and development. The Group’s operations are mainly financed by shareholders’ funds and bank loans.

As at 30 June 2025, the Group's net borrowing (i.e. total borrowings less cash and deposits at banks) amounted to HK\$2,069.0 million (31 December 2024: HK\$2,281.0 million). The details of the Group's net cash/net borrowing position by currency are set out below:

Currency	Cash and deposits at bank in foreign currency million	Cash and deposits at bank HK\$ million	Bank loans HK\$ million	(Net borrowing)/ Net cash HK\$ million
<i>At 30 June 2025</i>				
Hong Kong dollars		1,364.8	(4,190.0)	(2,825.2)
United States dollars	95.4	748.7	–	748.7
Other currencies		7.5	–	7.5
Total		2,121.0	(4,190.0)	(2,069.0)
<i>At 31 December 2024</i>				
Hong Kong dollars		1,055.2	(4,210.9)	(3,155.7)
United States dollars	111.1	863.3	–	863.3
Other currencies		11.4	–	11.4
Total		1,929.9	(4,210.9)	(2,281.0)

As at 30 June 2025, bank loans, all unsecured, amounted to HK\$4,190.0 million (31 December 2024: HK\$4,210.9 million). The maturity profile of the bank loans of the Group is set out below:

	At 30 June 2025 HK\$ million	At 31 December 2024 HK\$ million
Within 1 year	1,769.5	842.5
After 1 year but within 2 years	2,021.4	2,071.5
After 2 years but within 5 years	399.1	1,296.9
	4,190.0	4,210.9

As at 30 June 2025, the Group had undrawn banking facilities totalling HK\$3,280.0 million (31 December 2024: HK\$2,870.0 million).

The finance costs incurred by the Group for the six months ended 30 June 2025 were HK\$26.8 million, a decrease of HK\$27.0 million compared with HK\$53.8 million for the six months ended 30 June 2024. The decrease was mainly due to the decrease in average bank borrowings of the Group and the decrease in average interest rate in respect of the Group's borrowings from 4.53% per annum for the six months ended 30 June 2024 to 3.12% per annum for the six months ended 30 June 2025.

As at 30 June 2025, the Group's cash and deposits at banks (mainly denominated in Hong Kong dollars and United States dollars) amounted to HK\$2,121.0 million (31 December 2024: HK\$1,929.9 million).

FUNDING AND TREASURY POLICIES

In general, the Group's major operating companies arrange their own financing to meet their operational and specific needs. The Group's other subsidiaries are mainly financed from the capital base of their parent company. The Group reviews its funding policy from time to time to ensure that cost-efficient and flexible funding is available to meet the unique operating environment of each subsidiary.

The impact of fuel price movements on the results of the Group's core franchised public bus operations can be significant. Although exposure to fluctuations in the fuel price might be managed by the use of fuel derivatives, the Group has carefully evaluated the pros and cons of entering into fuel price hedging arrangements and concluded that fuel price hedging would be as risky as not hedging, and would not necessarily result in a better financial position for the Group in the long term. Alternatively, the Group enters into contracts with diesel suppliers from time to time for the supply of diesel. It is expected that the fuel price will continue to be volatile, and management will continue to closely monitor fuel price movements and constantly review its strategy in respect of fuel price risk management in the light of prevailing market conditions.

The Group is exposed to foreign currency risk primarily through purchases of new buses and motor vehicle components from overseas, investments in financial assets measured at FVOCI (recycling) and deposits placed at banks that are denominated in a foreign currency. The currencies giving rise to this risk are primarily British Pounds Sterling (GBP) and United States dollars (USD). In respect of the exposure in GBP used for bus purchases, the Group's treasury team will enter into forward foreign exchange contracts in a strategic manner when appropriate.

In view of the volatile financial markets and the prospect of interest rate hikes, the Group will continue to closely monitor the market conditions and devise suitable strategies to manage its exposure to interest rate risk in a prudent manner with different techniques and instruments, including natural hedges achieved by spreading loans over different rollover periods and maturity dates. Derivative financial instruments such as interest rate swaps, will be used when appropriate. As at 30 June 2025, all of the Group's borrowings were denominated in Hong Kong dollars and on a floating interest rate basis. The Group regularly reviews its strategy on interest rate risk management in the light of the prevailing market conditions.

The Group's credit risk is primarily attributable to trade and other receivables and debt investments. Management has a credit policy in place under which exposure to credit risk is monitored on an ongoing basis. The Group has established treasury management guidelines for investment of surplus cash reserves in debt securities for yield enhancement purposes. Limits are set for the total portfolio size and individual debt securities to minimise the overall risk as well as the concentration risk. The credit ratings of the debt issuers and market news relating to them, as available, are closely monitored over the life of the transactions. In addition, investment portfolio and investment strategies will be monitored and reviewed on a regular basis to minimise the risk of default on the investments in debt securities. Cash at bank and bank deposits are placed with licensed financial institutions with high credit ratings and the Group monitors the exposure to each financial institution. The Group does not provide guarantees to third parties which would expose the Group to credit risk.

CAPITAL COMMITMENTS

The Group's capital commitments as at 30 June 2025 amounted to HK\$212.3 million (31 December 2024: HK\$171.8 million). These commitments were mainly in respect of the purchases of buses and motor vehicles components and the development of The Millennity, which are to be financed by bank borrowings and from the Group's internal resources.

EMPLOYEES AND REMUNERATION POLICIES

Transport operations are labour intensive. For the six months ended 30 June 2025, total remuneration excluding retirement costs and equity-settled share-based payment expenses amounted to HK\$2,186.7 million (six months ended 30 June 2024: HK\$2,128.0 million), accounting for about 55% of the total operating costs of the Group. The Group closely monitors its headcount and staff remuneration in line with productivity and the prevailing market trends. Employee compensation, including salaries and retirement and medical benefits, is determined based on the principles of performance, fairness, transparency and market competitiveness. As at 30 June 2025, the Group employed about 12,500 staff (31 December 2024: approximately 12,700 staff).

OUTLOOK

The economy of Hong Kong grew moderately in the first half of the year, whilst changes in travel patterns and consumption habits continued, coupled with the complexity and volatility of the global landscape, which have had an impact on many sectors and put pressure on the demand for public transport. TIH believes that quality public transport services are the cornerstone of Hong Kong's social development, and are the driving force for economic transformation and diversification, as well as strengthening cooperation with the Mainland to take on the current challenges. The Group's franchised public bus companies – KMB and LWB, as well as other non-franchised transportation businesses, are striving to seize the opportunities arising from social reforms by enhancing service quality and operational efficiency. With proactive measures to cope with the changing business environment, KMB's patronage remained stable, LWB's patronage increased as a result of further service enhancements in response to strong demand at the Hong Kong Port of Hong Kong-Zhuhai-Macao Bridge (HZMB) and the Hong Kong Airport. The Government's approval to KMB for fare increase with effect from 5 January 2025 also provided a favorable factor for the Group's overall development. The Group maintained its forward momentum.

As a major public transport operator, KMB is constantly aware of changes in passengers' needs and allocates additional resources to areas with rising service demand. It has introduced new routes in New Territories East, Yuen Long and the Anderson Road Development Area, operated special routes to tie in with the opening of Kai Tak Sports Park for large events and continued to meet the demand for border routes, to enable members of the public and tourists to enjoy convenient transport services. KMB has also kept optimizing its bus services and network, by expanding the Regional Short-haul Two-way Section Fares Scheme, increasing the number of concessionary interchange combinations at Bus-Bus Interchanges, and providing fare rebate for cross-harbour routes, to attract passengers by offering more fare concession. As for LWB, to facilitate passengers to travel to and from the Mainland via the Hong Kong Airport at different times of the day, it has introduced interchange concessions with the Lok Ma Chau-Huanggang shuttle buses on LWB routes and increased the number of feeder trips to the Hong Kong port of HZMB in different districts during peak periods of holidays, facilitating the travel of residents across the border. The Group believes that these strategic initiatives encourage passengers to continue using the services of KMB and LWB and will bring prospects for business development.

As the pursuit of sustainable development has become a social consensus, the Group has demonstrated its strong commitment to green transport with its largest fleet of new-energy electric buses in Hong Kong, which have been operating smoothly, with a further increase in routes and mileage, allowing more passengers to experience the benefits of zero emissions. With its accumulated experience, KMB Academy has set up a training workshop for electric vehicle maintenance which meets the specifications for repairing high-voltage components of electric vehicles, and aims to become the first private company in Hong Kong to offer all three-level electric vehicle maintenance courses, which will not only lay a good foundation for the future expansion of the electric bus fleet, but also open the courses to the industry for enrollment, thereby contributing to the overall community's development of green transport and moving towards carbon neutrality.

As catering for the travel needs of different passengers is the responsibility of public transport operators, KMB has launched the Pet Bus Tour, which has carried owners and their pets for more than 10,000 passenger trips in six months, creating a new transport service that allows owners and their pets to go out together and, more importantly, promoting a pet-friendly culture to build a more livable city.

The Millennity, a prime commercial development in Kwun Tong, in which the Group has a 50% interest, has two Grade A office towers that have been leased to a number of large organizations and corporations. Although the leasing market is under pressure, there is a certain level of demand for the project as it is new and awarded various energy-saving, environmental and green certifications. The 500,000-square-foot basement shopping mall is expected to be occupied in phases in the second half of the year, which will bring the Group stable rental income.

Looking ahead, the Group will endeavor to adapt to the new operating environment, maintain the positive development of core businesses and proactively explore new directions of development in terms of service areas, mode of operation, innovation and technology, with a view to bringing value and returns to our shareholders, serving the public and contribute to the society.

By Order of the Board

Norman LEUNG Nai Pang
Chairman

Hong Kong, 21 August 2025

SUPPLEMENTARY INFORMATION

CHANGES IN THE COMPOSITION OF THE BOARD

The changes in the composition of the Board since the date of the 2024 Annual Report of the Company are set out below:

With effect from 1 July 2025, Ms WANG Xiao Bin has been appointed as a Member of the Nomination Committee of the Company.

Further details of the above were set out in the Company's announcement dated 3 July 2025.

CHANGES IN DIRECTORS' BIOGRAPHICAL DETAILS

There are no changes in Directors' biographical details since the date of the 2024 Annual Report of the Company which are required to be disclosed pursuant to Rule 13.51B(1) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

The Directors of the Company who held office as at 30 June 2025 had the following interests in the shares of the Company, subsidiaries and other associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) at that date as recorded in the register of Directors' and chief executives' interests and short positions required to be kept under Section 352 of the SFO:

I. Interests in Issued Shares of the Company

	Ordinary shares of HK\$1 each						Percentage of total issued shares
	Personal interests	Family interests	Corporate interests	Trustee interests	Other interests	Total number of shares held	
Dr Norman LEUNG Nai Pang*	682,044	–	–	–	–	682,044	0.130%
Dr John CHAN Cho Chak*	2,000	–	–	–	–	2,000	–
Raymond KWOK Ping Luen	661,239	–	–	–	–	661,239	0.126%
	(note 1)						
William LOUEY Lai Kuen	10,383,568	11,997	–	–	14,780,137	25,175,702	4.787%
					(note 2)		
Charles LUI Chung Yuen	14,271	–	–	3,484,915	–	3,499,186	0.665%
				(note 3)			
Winnie NG	557,624	–	–	28,836,786	–	29,394,410	5.589%
				(note 4)			
Dr Eric LI Ka Cheung*	17,600	–	–	–	–	17,600	0.003%
Professor LIU Pak Wai*	–	–	–	–	–	–	–
Allen FUNG Yuk Lun	–	–	–	–	–	–	–
Roger LEE Chak Cheong	166,151	–	–	–	–	166,151	0.032%
(Managing Director)							
TSANG Wai Hung*	–	–	–	–	–	–	–
Dr CHEUNG Wing Yui	–	–	–	–	–	–	–
LEE Luen Fai	–	30,000	–	–	–	30,000	0.006%
LUNG Po Kwan	–	–	–	–	–	–	–
Christopher KWOK Kai-wang	–	–	–	–	–	–	–
WANG Xiao Bin*	–	–	–	–	–	–	–
WONG Hong Kit	–	–	–	–	–	–	–
(Alternate Director to Mr Raymond KWOK Ping Luen)							
LAU Man Kwan Julia	1,576,971	–	–	–	23,586,734	25,163,705	4.785%
(Alternate Director to Mr William LOUEY Lai Kuen)					(note 5)		

* Independent Non-executive Director

Notes:

1. Of these shares in the Company, Mr Raymond Kwok Ping Luen held 655,994 shares jointly with his spouse.
2. Mr William Louey Lai Kuen, Ms Kwok Won Carol Wilma Yu Louey and Ms Lau Man Kwan Julia entered into a shareholders voting agreement to which section 317(1)(a) of the SFO applies. As such, Mr William Louey Lai Kuen is deemed to be interested in 14,780,137 shares in the Company as a result of being a concert party to the agreement.
3. Mr Charles Lui Chung Yuen and members of his family together had interests in certain private trusts which beneficially held 3,484,915 shares in the Company.
4. Ms Winnie Ng had an interest in 28,836,786 shares in the Company as a beneficiary in certain private trusts which beneficially held the aforesaid block of shares.
5. Mr William Louey Lai Kuen, Ms Kwok Won Carol Wilma Yu Louey and Ms Lau Man Kwan Julia entered into a shareholders voting agreement to which section 317(1)(a) of the SFO applies. As such, Ms Lau Man Kwan Julia is deemed to be interested in 23,586,734 issued shares of the Company as a result of being a concert party to the agreement. For the avoidance of doubt, this amount excludes the 830,000 share options granted to Mr William Louey Lai Kuen.

As at 30 June 2025, none of the Directors had any non-beneficial interest in the share capital of the Company.

II. Interests in Underlying Shares

Apart from the foregoing, none of the Directors or any of their spouses or children under eighteen years of age has interests or short positions in the shares, underlying shares or debentures of the Company or any of its subsidiaries or other associated corporations, as recorded in the register of directors' interests and short positions required to be kept under Section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

SHARE OPTION SCHEMES

On 26 May 2016, the Company adopted a Share Option Scheme (the "Scheme"). Under the Scheme, the Board of Directors of the Company shall be entitled at any time within ten years commencing on 26 May 2016 to make an offer for the grant of a share option of the Company to any employees, including directors of the Company and its subsidiaries, as the Board may in its absolute discretion select. The options cannot be exercised under the Scheme before the first anniversary of the date of grant.

On 30 October 2016, a total of 5,560,000 share options were granted by the Company, of which, 860,000 share options were granted to 1 Director and 4,700,000 share options were granted to certain employees of the Group. Such share options were exercisable during the period from 31 October 2017 to 30 October 2021.

On 19 November 2020, a total of 13,925,000 share options were granted by the Company, of which, 6,525,000 share options were granted to 15 Directors and 7,400,000 share options were granted to certain employees of the Group.

On 31 March 2023, a total of 16,350,000 share options were granted by the Company, of which, 6,980,000 share options were granted to 15 Directors and 9,370,000 share options were granted to certain employees of the Group and subsequently 15,970,000 share options were accepted by the grantees.

Particulars of the outstanding share options granted under the Share Option Scheme and the movements during the six months ended 30 June 2025 were as follows:

	Number of share options					Outstanding as at 30 June 2025	Date granted	Period during which options are exercisable	Exercise price per share	Market value per share at date of grant of options*
	Outstanding as at 1 January 2025	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period					
Directors										
Roger LEE Chak Cheong	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	450,000	–	–	–	–	450,000	19 November 2020	19 November 2021 to 18 November 2025 (note 2)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
	470,000	–	–	–	–	470,000	31 March 2023	31 March 2024 to 30 March 2028 (note 4)	HK\$10.60	HK\$10.60
Norman LEUNG Nai Pang	450,000	–	–	–	–	450,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	470,000	–	–	–	–	470,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
John CHAN Cho Chak	425,000	–	–	–	–	425,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	450,000	–	–	–	–	450,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60

	Number of share options					Outstanding as at 30 June 2025	Date granted	Period during which options are exercisable	Exercise price per share	Market value per share at date of grant of options*
	Outstanding as at 1 January 2025	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period					
Raymond KWOK Ping Luen	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
William LOUEY Lai Kuen	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
Charles LUI Chung Yuen	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
Winnie NG	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
Allen FUNG Yuk Lun	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60

	Number of share options					Outstanding as at 30 June 2025	Date granted	Period during which options are exercisable	Exercise price per share	Market value per share at date of grant of options*
	Outstanding as at 1 January 2025	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period					
CHEUNG Wing Yui	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
LEE Luen Fai	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
LUNG Po Kwan	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
Eric Li Ka Cheung	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
LIU Pak Wai	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60

	Number of share options					Outstanding as at 30 June 2025	Date granted	Period during which options are exercisable	Exercise price per share	Market value per share at date of grant of options*
	Outstanding as at 1 January 2025	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period					
TSANG Wai Hung	400,000	–	–	–	–	400,000	19 November 2020	19 November 2021 to 18 November 2025 (note 1)	HK\$15.32	HK\$15.32
	430,000	–	–	–	–	430,000	31 March 2023	31 March 2024 to 30 March 2028 (note 3)	HK\$10.60	HK\$10.60
Employees	2,600,000	–	–	(400,000)	–	2,200,000	19 November 2020	19 November 2021 to 18 November 2025 (note 2)	HK\$15.32	HK\$15.32
	5,840,000	–	–	(430,000)	–	5,410,000	31 March 2023	31 March 2024 to 30 March 2028 (note 4)	HK\$10.60	HK\$10.60
Total	21,115,000	–	–	(830,000)	–	20,285,000				

* being the weighted average closing price of the Company's ordinary shares on the date of grant.

Notes:

- All the options are vested and exercisable progressively and the maximum percentage of the options which may be exercised is determined in stages as follows:

	Percentage of options granted
On or after 19 November 2021	50%
On or after 19 November 2022	100%

2. All the options are vested and exercisable progressively and the maximum percentage of the options which may be exercised is determined in stages as follows:

	Percentage of options granted
On or after 19 November 2021	30%
On or after 19 November 2022	60%
On or after 19 November 2023	100%

3. All the options are vested and exercisable progressively and the maximum percentage of the options which may be exercised is determined in stages as follows:

	Percentage of options granted
On or after 31 March 2024	50%
On or after 31 March 2025	100%

4. All the options are vested and exercisable progressively and the maximum percentage of the options which may be exercised is determined in stages as follows:

	Percentage of options granted
On or after 31 March 2024	30%
On or after 31 March 2025	60%
On or after 31 March 2026	100%

The number of share options available for grant under the Scheme was 4,528,941 on both 1 January 2025 and 30 June 2025.

The number of shares that may be issued in respect of share options Scheme during the six months ended 30 June 2025 was 20,285,000 shares, representing 4.0% of the weighted average number of shares in issue of 509,371,496 for the period.

The total number of shares available for issue under the Scheme was 24,433,941 shares, representing 4.6% of the issued shares of the Company of 525,917,993 shares as at the date of Interim Report.

Save as disclosed above, there were no other share options granted, exercised, cancelled or lapsed under the Scheme during the six months ended 30 June 2025.

DIRECTORS' INTERESTS IN CONTRACTS

As disclosed in note 18 to the interim financial report, certain subsidiaries of the Group entered into transactions with certain subsidiaries of a substantial shareholder, Sun Hung Kai Properties Limited ("SHKP"). Certain Directors, namely Dr Norman Leung Nai Pang, Dr Eric Li Ka Cheung, Mr Raymond Kwok Ping Luen, Mr Allen Fung Yuk Lun, Dr Cheung Wing Yui and Mr Christopher Kwok Kai-wang are also directors of SHKP and/or Sun Hung Kai Properties Insurance Limited, and/or SUNeVision Holdings Limited ("SUNeVision") and/or SmarTone Telecommunications Holdings Limited ("SmarTone") and Mr Lee Luen Fai and Mr Lung Po Kwan are employees of Sun Hung Kai Real Estate Agency Limited, a subsidiary of SHKP. Among them, Mr Raymond Kwok Ping Luen is a director of SHKP, SUNeVision and SmarTone and is materially interested in these transactions by virtue of his interest and deemed interest under Part XV of the SFO in more than 5% of the issued shares of SHKP; and his son, Mr Christopher Kwok Kai-wang is a director of SHKP and SUNeVision and is materially interested in these transactions by virtue of his interest and deemed interest under Part XV of the SFO in more than 5% of the issued shares of SHKP.

Save as disclosed above, no contract of significance to which the Company, its subsidiaries or fellow subsidiaries were a party and in which a Director of the Company had a material interest, subsisted at 30 June 2025 or at any time during the six months ended 30 June 2025.

DISCLOSEABLE INTERESTS OF SHAREHOLDERS IN SHARES AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests or short positions of the persons, other than Directors and the chief executive of the Company, being 5% or more in the interest in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to Divisions 2 and 3 of Part XV of the SFO and required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO, were as follows:

	Ordinary shares of HK\$1 each				
	Registered shareholders	Corporate interests	Trustee interests	Total number of shares held	Percentage of total issued shares
HSBC Trustee (C.I.) Limited	–	–	235,970,816	235,970,816	44.9%
Sun Hung Kai Properties Limited (note 1)	–	235,970,816	–	235,970,816	44.9%
Arklake Limited (note 1)	129,978,280	–	–	129,978,280	24.7%
Hung Fat (Hop Kee) General Contractors Limited (note 1)	38,909,817	–	–	38,909,817	7.4%
Wister Investment Limited (note 1)	34,517,008	–	–	34,517,008	6.6%
Kwong Tai Holdings (PTC) Limited (note 2)	28,836,786	–	–	28,836,786	5.5%

Notes:

1. The interest disclosed by Sun Hung Kai Properties Limited ("SHKP") includes the 203,405,105 shares disclosed by Arklake Limited, Hung Fat (Hop Kee) General Contractors Limited and Wister Investment Limited.
2. The interest disclosed by Kwong Tai Holdings (PTC) Limited includes 28,836,786 shares disclosed by Ms Winnie Ng, who is a Director of the Company.

ISSUE OF SHARES

On 26 June 2025, the Company issued 17,016,568 shares in lieu of the final dividend for the year ended 31 December 2024 at an issue price of HK\$8.65 per share under the scrip dividend scheme as set out in the circular of the Company dated 30 May 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

Except for the aforesaid issue of shares on 26 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period under review.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the code of conduct regarding securities transactions by Directors as set out in Appendix C3 to the Listing Rules during the interim period under review, and, following specific enquiry by the Company, it is noted that all Directors complied with the required standard of dealings set out therein.

CORPORATE GOVERNANCE

The Company complied with the applicable code provisions in the Corporate Governance Code set out in Appendix C1 to the Listing Rules for the six months ended 30 June 2025, except that two Directors of the Company were unable to attend the Annual General Meeting of the Company held on 15 May 2025 as provided for in code provision C.1.5 due to other engagements.

REVIEW OF INTERIM FINANCIAL REPORT

The interim financial report for the six months ended 30 June 2025 is unaudited, but has been reviewed in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants, by the Company's external auditors, KPMG, whose review report is set out on page 48 of this interim report.

The Audit and Risk Management Committee of the Company, together with management and KPMG, has reviewed the accounting principles and policies adopted by the Group, discussed auditing, internal control, risk management and financial reporting matters, and also reviewed the unaudited interim financial report for the six months ended 30 June 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED

(Expressed in Hong Kong dollars)

	Note	Six months ended 30 June	
		2025 \$'million	2024 \$'million
Revenue	3 & 4	4,226.3	4,064.4
Other net income	5	72.2	115.1
Staff costs	6(b)	(2,269.1)	(2,220.6)
Depreciation		(592.1)	(605.4)
Fuel and oil		(415.9)	(504.5)
Spare parts		(130.9)	(110.0)
Toll charges		(93.3)	(109.2)
Other operating expenses		(441.8)	(443.5)
Profit from operations		355.4	186.3
Change in fair value of investment properties and investment property under development	11(a)	(95.1)	–
Finance costs	6(a)	(26.8)	(53.8)
Share of profits of associates		–*	0.1
Share of profit of joint venture		4.1	4.1
Profit before taxation	6	237.6	136.7
Income tax expense	7	(47.6)	(16.4)
Profit for the period		190.0	120.3
Earnings per share based on profit attributable to equity shareholders (reported earnings per share)			
Basic and diluted	8(a)	\$0.37	\$0.24
Earnings per share excluding the effect of change in fair value of investment properties and investment property under development (underlying earnings per share)			
Basic and diluted	8(b)	\$0.56	\$0.24

* The amount represents amount less than \$0.1 million.

The notes on pages 30 to 47 form part of this interim financial report.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2025 \$'million	2024 \$'million
Profit for the period	190.0	120.3
Other comprehensive income for the period (after tax and reclassification adjustments):		
<i>Item that will not be reclassified to profit or loss:</i>		
Equity investment at fair value through other comprehensive income ("FVOCI"): net movement in fair value reserve (non-recycling), net of nil tax	(22.4)	(63.9)
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of entities outside Hong Kong, net of nil tax	20.8	(14.1)
Investments in financial assets measured at FVOCI (recycling): net movement in fair value reserve (recycling), net of nil tax	(23.6)	(4.7)
Share of other comprehensive income of an associate, net of nil tax	(0.6)	(6.4)
Other comprehensive income for the period	(25.8)	(89.1)
Total comprehensive income for the period	164.2	31.2

The notes on pages 30 to 47 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025 – UNAUDITED

(Expressed in Hong Kong dollars)

	Note	At 30 June 2025 \$'million	At 31 December 2024 \$'million
Non-current assets			
Investment properties	11	5,290.2	5,361.8
Investment property under development	11	2,926.0	2,911.5
Interest in leasehold land		43.6	44.5
Other property, plant and equipment	10	7,001.1	7,361.6
		15,260.9	15,679.4
Intangible assets		529.1	529.1
Goodwill		84.1	84.1
Interest in associates		589.8	569.6
Interest in joint venture		748.5	747.8
Other financial assets	12	1,451.4	1,354.4
Employee benefit assets		1,772.8	1,755.8
Deferred tax assets		1.8	0.8
		20,438.4	20,721.0
Current assets			
Spare parts		122.6	106.2
Accounts receivable	13	952.2	998.5
Other financial assets	12	98.3	108.2
Deposits and prepayments		70.3	44.9
Current tax recoverable		1.4	0.8
Restricted bank deposits	14	323.1	375.5
Bank deposits and cash	14	1,797.9	1,554.4
		3,365.8	3,188.5
Current liabilities			
Accounts payable and accruals	15	1,385.4	1,576.4
Contingency provision – insurance		91.9	91.9
Bank loans		1,769.5	842.5
Lease liabilities		3.9	3.5
Current tax payable		7.3	4.2
		3,258.0	2,518.5

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025 – UNAUDITED *(continued)*

(Expressed in Hong Kong dollars)

	Note	At 30 June 2025 \$'million	At 31 December 2024 \$'million
Net current assets		107.8	670.0
Total assets less current liabilities		20,546.2	21,391.0
Non-current liabilities			
Bank loans		2,420.5	3,368.4
Lease liabilities		4.1	3.8
Deferred tax liabilities		1,107.6	1,066.0
Contingency provision – insurance		148.7	146.2
Provision for long service payments		98.5	97.3
		3,779.4	4,681.7
NET ASSETS		16,766.8	16,709.3
CAPITAL AND RESERVES			
Share capital		525.9	508.9
Reserves		16,240.9	16,200.4
TOTAL EQUITY		16,766.8	16,709.3

Approved and authorised for issue by the Board of Directors on 21 August 2025

Norman LEUNG Nai Pang
Chairman

Roger LEE Chak Cheong
Managing Director

The notes on pages 30 to 47 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED

(Expressed in Hong Kong dollars)

		Attributable to equity shareholders of the Company								
	Note	Share capital \$'million	Share premium \$'million	Capital reserve \$'million	Other reserves \$'million	Exchange reserve \$'million	Fair value reserve (recycling) \$'million	Fair value reserve (non-recycling) \$'million	Retained profits \$'million	Total equity \$'million
Balance at 1 January 2024										
		494.3	1,492.3	11.7	1,102.6	75.7	(207.8)	983.8	12,452.9	16,405.5
Changes in equity for the six months ended 30 June 2024:										
Profit for the period										
		–	–	–	–	–	–	–	120.3	120.3
Other comprehensive income										
		–	–	–	–	(14.1)	(4.7)	(70.3)	–	(89.1)
Total comprehensive income										
		–	–	–	–	(14.1)	(4.7)	(70.3)	120.3	31.2
Shares issued in respect of scrip dividend – 2023 final dividend										
	9(b)	14.6	116.3	–	–	–	–	–	–	130.9
Forfeiture of share options										
		–	–	(0.7)	–	–	–	–	0.7	–
Equity-settled share-based transactions										
	6(b)	–	–	2.0	–	–	–	–	–	2.0
Dividends approved in respect of the previous year										
	9(b)	–	–	–	–	–	–	–	(247.2)	(247.2)
		14.6	116.3	1.3	–	–	–	–	(246.5)	(114.3)
Balance at 30 June 2024 and 1 July 2024										
		508.9	1,608.6	13.0	1,102.6	61.6	(212.5)	913.5	12,326.7	16,322.4
Changes in equity for the six months ended 31 December 2024:										
Profit for the period										
		–	–	–	–	–	–	–	67.0	67.0
Other comprehensive income										
		–	–	–	–	(5.8)	205.3	18.0	100.9	318.4
Total comprehensive income										
		–	–	–	–	(5.8)	205.3	18.0	167.9	385.4
Forfeiture of share options										
		–	–	(0.5)	–	–	–	–	0.5	–
Equity-settled share-based transactions										
		–	–	1.5	–	–	–	–	–	1.5
		–	–	1.0	–	–	–	–	0.5	1.5

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED *(continued)*

(Expressed in Hong Kong dollars)

		Attributable to equity shareholders of the Company								
	Note	Share capital \$'million	Share premium \$'million	Capital reserve \$'million	Other reserves \$'million	Exchange reserve \$'million	Fair value reserve (recycling) \$'million	Fair value reserve (non-recycling) \$'million	Retained profits \$'million	Total equity \$'million
Balance at 31 December 2024 and 1 January 2025		508.9	1,608.6	14.0	1,102.6	55.8	(7.2)	931.5	12,495.1	16,709.3
Changes in equity for the six months ended 30 June 2025:										
Profit for the period		-	-	-	-	-	-	-	190.0	190.0
Other comprehensive income		-	-	-	-	20.8	(23.6)	(23.0)	-	(25.8)
Total comprehensive income		-	-	-	-	20.8	(23.6)	(23.0)	190.0	164.2
Shares issued in respect of scrip dividend – 2024 final dividend		9(b)	17.0	130.2	-	-	-	-	-	147.2
Forfeiture of share options			-	-	(0.3)	-	-	-	0.3	-
Equity-settled share-based transactions		6(b)	-	-	0.5	-	-	-	-	0.5
Dividends approved in respect of the previous year		9(b)	-	-	-	-	-	-	(254.4)	(254.4)
			17.0	130.2	0.2	-	-	-	(254.1)	(106.7)
Balance at 30 June 2025			525.9	1,738.8	14.2	1,102.6	76.6	(30.8)	908.5	16,766.8

The notes on pages 30 to 47 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2025 \$'million	2024 \$'million
Operating activities		
Cash generated from operations	745.2	709.7
Tax paid		
– Hong Kong Profits Tax	(4.5)	(5.1)
Net cash generated from operating activities	740.7	704.6
Investing activities		
Decrease in restricted bank deposits	52.4	37.2
Decrease/(increase) in bank deposits with original maturities of over three months	131.8	(78.4)
Payment for additions of investment property under development	(31.9)	(104.1)
Payment for the purchase of other property, plant and equipment	(280.3)	(508.2)
Receipt of government grant for the purchase of other property, plant and equipment	–	53.4
Receipt of government grant for the disposal of other property, plant and equipment	2.2	7.6
Proceeds from the disposal of other property, plant and equipment	3.1	4.3
Finance costs paid and capitalised into investment property under development	(39.2)	(55.1)
Payment for the purchase of other financial assets	(299.1)	(169.9)
Decrease in loan receivables	8.1	–
Dividends received from equity investments	40.8	–
Proceeds on the maturity of debt securities	165.6	173.6
Net cash used in investing activities	(246.5)	(639.6)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED *(continued)*

(Expressed in Hong Kong dollars)

	Note	Six months ended 30 June	
		2025 \$'million	2024 \$'million
Financing activities			
Proceeds from new bank loans		3,115.0	1,510.0
Repayment of bank loans		(3,137.5)	(1,587.5)
Loan repaid by a joint venture		3.4	4.0
Capital element of lease rentals paid		(2.1)	(2.2)
Interest element of lease rentals paid		(0.2)	(0.1)
Dividends paid to equity shareholders of the Company		(107.2)	(116.3)
Net cash used in financing activities		(128.6)	(192.1)
Net increase/(decrease) in cash and cash equivalents		365.6	(127.1)
Cash and cash equivalents at 1 January		638.7	497.0
Effect of foreign exchange rate changes		9.7	(0.7)
Cash and cash equivalents at 30 June		1,014.0	369.2
Analysis of cash and cash equivalents:			
Bank deposits and cash in the consolidated statement of financial position	14	1,797.9	1,158.3
Less: bank deposits with original maturities of over three months	14	(783.9)	(789.1)
Cash and cash equivalents in the condensed consolidated cash flow statement		1,014.0	369.2

The notes on pages 30 to 47 form part of this interim financial report.

Notes to the unaudited interim financial report

(Expressed in Hong Kong dollars)

1 Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 21 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

This interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on page 48. This interim financial report has also been reviewed by the Audit and Risk Management Committee of the Company.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements.

2 Changes in accounting policies

The HKICPA has issued certain new or amended HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group.

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 Segment reporting

The Group manages its business by business lines. In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker ("CODM") for the purposes of resources allocation and performance assessment, the Group has presented the following two reportable segments:

- Franchised bus operations : The provision of franchised public transport services in Hong Kong.
- Property holdings and development : The holding and development of non-residential properties for the use as investment properties.
- All other segments : The provision of non-franchised transport services, provision of cross-boundary shuttle bus services between Lok Ma Chau (Hong Kong) and Huanggang (Shenzhen) and investment holding.

(a) Segment results, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resources allocation and assessment of segment performance for the period is set out below:

	Franchised bus operations		Property holdings and development		All other segments		Total	
	Six months ended 30 June		Six months ended 30 June		Six months ended 30 June		Six months ended 30 June	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$'million	\$'million	\$'million	\$'million	\$'million	\$'million	\$'million	\$'million
Revenue from external customers	4,016.7	3,887.2	52.4	46.9	157.2	130.3	4,226.3	4,064.4
Inter-segment revenue	1.0	0.9	2.1	2.2	1.3	1.8	4.4	4.9
Reportable segment revenue	4,017.7	3,888.1	54.5	49.1	158.5	132.1	4,230.7	4,069.3
Reportable segment profit/(loss)	201.9	43.3	(69.3)	29.1	11.7	5.9	144.3	78.3
As at 30 June/31 December								
Reportable segment assets	10,290.1	10,715.5	9,041.3	9,086.2	1,541.7	1,520.9	20,873.1	21,322.6
Reportable segment liabilities	3,911.7	4,411.4	2,995.8	2,683.9	94.5	83.0	7,002.0	7,178.3

Revenue and expenses are allocated to the reportable segments with reference to the revenue generated and expenses incurred by those segments. The measure used for reporting segment profit is net profit after taxation, adjusted for head office or corporate administration costs which are not specifically attributable to individual segments. Inter-segment revenue is priced with reference to the price charged to external parties for similar transactions.

3 Segment reporting (continued)

(b) Reconciliation of reportable segment revenue and profit

	Six months ended 30 June	
	2025 \$'million	2024 \$'million
Revenue		
Reportable segment revenue	4,072.2	3,937.2
Revenue from all other segments	158.5	132.1
Elimination of inter-segment revenue	(4.4)	(4.9)
Consolidated revenue	4,226.3	4,064.4
Profit		
Reportable segment profit	132.6	72.4
Profit from all other segments	11.7	5.9
Unallocated profits	45.7	42.0
Consolidated profit for the period	190.0	120.3

4 Revenue

The principal activities of the Group are the operation of both franchised and non-franchised public transportation and property holdings and development.

The amount of each significant category of revenue is as follows:

	Six months ended 30 June	
	2025 \$'million	2024 \$'million
Fare revenue from franchised public bus services	3,891.0	3,742.3
Revenue from non-franchised transport services	157.7	132.1
Licence fee income	97.4	117.2
Media sales revenue	24.9	23.0
Gross rentals from investment properties	55.3	49.8
	4,226.3	4,064.4

5 Other net income

	Six months ended 30 June	
	2025 \$'million	2024 \$'million
Interest income	37.5	45.3
Net foreign exchange gain/(loss)	12.1	(0.4)
	49.6	44.9
Claims received	8.4	14.2
Net miscellaneous business receipts	5.9	10.8
Net gain on disposal of other property, plant and equipment	2.2	16.8
Sundry income	6.1	28.4
	72.2	115.1

6 Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025 \$'million	2024 \$'million
(a) Finance costs		
Interest on bank loans	65.1	116.2
Interest on lease liabilities	0.2	0.1
Total interest expense on financial liabilities not measured at fair value through profit or loss	65.3	116.3
Less: interest expense capitalised	(38.5)	(62.5)
	26.8	53.8
(b) Staff costs		
Contributions to defined contribution retirement plans	91.6	91.3
(Income)/expenses recognised in respect of defined benefit plans:		
– Employee benefit assets	(17.1)	(6.3)
– Long service payments	7.4	5.8
Total retirement cost	81.9	90.8
Equity-settled share-based payment expenses	0.5	2.0
Salaries, wages and other benefits	2,186.7	2,128.0
	2,269.1	2,220.8
Less: staff costs included in cost of mask production	–	(0.2)
	2,269.1	2,220.6

6 Profit before taxation (continued)

	Six months ended 30 June	
	2025 \$'million	2024 \$'million
(c) Other items		
Insurance expenses (including the contingency provision for insurance)	78.7	99.6
Provision for toll exemption fund (note)	65.2	70.8

Note: The Government of the Hong Kong Special Administrative Region announced that with effect from 17 February 2019, all franchised buses are exempted from paying tolls when using Government tunnels and roads. However, each franchised bus operator is required to spend an equivalent amount of the toll saved to set up its own dedicated account known as the "Toll Exemption Fund" which will normally be used to lower the magnitude of future fare increases. In addition, any additional fare revenue resulting from the increase of bus fare on the jointly operated routes with other franchised bus operators arising from a fare adjustment is required to be paid into the Toll Exemption Fund. The balance of the Toll Exemption Fund of the Group as at 30 June 2025, included in accounts payable and accruals (note 15), was \$287.8 million (31 December 2024: \$353.8 million).

7 Income tax

	Six months ended 30 June	
	2025 \$'million	2024 \$'million
Current tax		
Hong Kong Profits Tax	7.0	5.7
Withholding tax outside Hong Kong	–	0.1
	7.0	5.8
Deferred tax		
Origination and reversal of temporary differences	40.6	10.6
Actual tax expense	47.6	16.4

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2024: 16.5%) to the estimated assessable profits for the six months ended 30 June 2025, except for a subsidiary of the Group which is a qualifying corporation under the two-tier Profits Tax rate regime. For this subsidiary, the first \$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated using the same basis in 2024.

8 Earnings per share

(a) Reported earnings per share

The calculations of basic and diluted earnings per share are based on the profit attributable to equity shareholders of the Company of \$190.0 million (six months ended 30 June 2024: \$120.3 million) and the weighted average number of ordinary shares in issue during the interim period, calculated as follows:

	Six months ended 30 June	
	2025	2024
Issued ordinary shares at 1 January	508,901,425	494,343,118
Effect of shares issued in respect of scrip dividend	470,071	239,972
Weighted average number of ordinary shares at 30 June	509,371,496	494,583,090

Diluted earnings per share were the same as the basic earnings per share as there were no dilutive potential ordinary shares during the interim period.

(b) Underlying earnings per share

For the purpose of assessing the underlying performance of the Group, basic and diluted underlying earnings per share are additionally calculated based on the underlying profit attributable to equity shareholders of the Company of \$285.1 million (six months ended 30 June 2024: \$120.3 million), which excluded the effect of the change in fair value of investment properties and investment property under development. A reconciliation of profit is as follows:

	Six months ended 30 June	
	2025 \$'million	2024 \$'million
Profit attributable to equity shareholders as shown in the consolidated statement of profit or loss	190.0	120.3
Change in fair value of investment properties and investment property under development	95.1	—
Underlying profit attributable to equity shareholders	285.1	120.3

9 Capital, reserves and dividends

Dividends

(a) Dividend payable to equity shareholders of the Company attributable to the interim period

	Six months ended 30 June			
	2025		2024	
	Per share		Per share	
	\$	\$'million	\$	\$'million
Interim dividend declared after the interim period end	0.30	157.8	—	—

The interim dividend in respect of the six months ended 30 June 2025 has not been recognised as liability at the end of the reporting period.

The Board did not recommend the declaration of an interim dividend for the six months ended 30 June 2024.

(b) Dividend payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June			
	2025		2024	
	Per share		Per share	
	\$	\$'million	\$	\$'million
Final dividend in respect of the previous financial year, approved and paid during the period	0.50	254.4	0.50	247.2

The final dividend with a scrip dividend alternative in respect of the year ended 31 December 2024 was paid on 26 June 2025, of which \$147.2 million was settled by the issuance of 17,016,568 shares at an issue price of \$8.65 per share under the scrip dividend scheme.

The final dividend with a scrip dividend alternative in respect of the year ended 31 December 2023 was paid on 28 June 2024, of which \$130.9 million was settled by the issuance of 14,558,307 shares at an issue price of \$8.99 per share under the scrip dividend scheme.

10 Other property, plant and equipment

(a) Right-of-use assets

During the six months ended 30 June 2025, the Group entered into a number of lease agreements for use as staff rest kiosks and bus regulators' offices, and therefore recognised additions to right-of-use assets of \$2.3 million (six months ended 30 June 2024: \$1.1 million).

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2025, the Group acquired items of other property, plant and equipment with a cost of \$229.8 million (six months ended 30 June 2024: \$417.2 million). Items of plant and equipment with a net book value of \$1.9 million were disposed of during the six months ended 30 June 2025 (six months ended 30 June 2024: \$1.7 million), resulting in a net gain on disposal of \$2.2 million (six months ended 30 June 2024: \$16.8 million).

11 Investment properties and investment property under development

(a) Movements during the period/year

	Investment properties \$'million	Investment property under development \$'million	Total \$'million
Valuation:			
At 1 January 2025	5,361.8	2,911.5	8,273.3
Additions	–	38.0	38.0
Decrease in fair value, net	(71.6)	(23.5)	(95.1)
At 30 June 2025	5,290.2	2,926.0	8,216.2

	Investment properties \$'million	Investment property under development \$'million	Total \$'million
Valuation:			
At 1 January 2024	5,406.5	2,805.0	8,211.5
Additions	–	140.0	140.0
Decrease in fair value, net	(44.7)	(33.5)	(78.2)
At 31 December 2024	5,361.8	2,911.5	8,273.3

11 Investment properties and investment property under development *(continued)*

(b) Fair value measurement

The following table presents the fair value of the Group's investment properties and investment property under development disclosed at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

	30 June 2025			
	Fair value \$'million	Level 1 \$'million	Level 2 \$'million	Level 3 \$'million
<i>Recurring fair value disclosures</i>				
Investment properties in Hong Kong				
– commercial properties	5,189.2	–	–	5,189.2
– industrial property	101.0	–	–	101.0
Investment property under development in Hong Kong	2,926.0	–	–	2,926.0

	31 December 2024			
	Fair value \$'million	Level 1 \$'million	Level 2 \$'million	Level 3 \$'million
<i>Recurring fair value disclosures</i>				
Investment properties in Hong Kong				
– commercial properties	5,260.8	–	–	5,260.8
– industrial property	101.0	–	–	101.0
Investment property under development in Hong Kong	2,911.5	–	–	2,911.5

11 Investment properties and investment property under development *(continued)*

During the six months ended 30 June 2025 and 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The Group's investment properties and investment property under development were revalued at 30 June 2025 by Knight Frank Petty Limited, an independent firm of professional qualified valuers, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued, on a market value basis, in accordance with Valuation Standards on Properties issued by Hong Kong Institute of Surveyors.

The Group's investment properties are valued using the income capitalisation approach by capitalising net income from the existing tenancies and reversionary income potential at appropriate capitalisation rates for individual properties. The capitalisation rate adopted is derived by making reference to the yields achieved from analysis of comparable property investment transactions and valuer's view of prevailing investor expectations regarding rental growth and perceived risks.

The Group's investment property under development is valued using the income capitalisation approach by capitalising net income from reversionary income potential at appropriate capitalisation rates for individual properties less the costs that will be incurred to complete the development. The capitalisation rate adopted is derived by making reference to the yields achieved from analysis of comparable property investment transactions and valuer's view of prevailing investor expectations regarding rental growth and perceived risks.

Set out below are the significant unobservable inputs used for fair value measurements:

	Unobservable input	Range
Investment properties in Hong Kong – commercial properties and industrial property	Capitalisation rate	3.50% to 4.75% (31 December 2024: 3.50% to 4.75%)
Investment property under development in Hong Kong	Capitalisation rate	3.50% (31 December 2024: 3.50%)

The fair values of the Group's investment properties and investment property under development are inversely related to capitalisation rates, which are determined by reference to investors' expectations on investment yields, rental growth and the risk profile of the properties being valued. A lower (higher) capitalisation rate would imply a higher (lower) property value.

Fair value adjustment of investment properties and investment property under development is recognised in the line item "Change in fair value of investment properties and investment property under development" on the face of the consolidated statement of profit or loss.

12 Other financial assets

	At 30 June 2025 \$'million	At 31 December 2024 \$'million
Equity securities designated at FVOCI (non-recycling)		
– Unlisted equity securities	975.7	998.1
Financial assets measured at FVOCI (recycling)		
– Debt securities listed outside Hong Kong	525.8	407.4
Financial assets measured at amortised cost		
– Loan receivables	43.1	51.2
Other financial assets measured at FVPL	5.1	5.9
	1,549.7	1,462.6
Less: debt securities listed outside Hong Kong classified as current assets	(76.3)	(85.8)
loan receivables classified as current assets	(16.9)	(16.5)
other financial assets measured at FVPL classified as current assets	(5.1)	(5.9)
Other financial assets classified as current assets	(98.3)	(108.2)
Other financial assets classified as non-current assets	1,451.4	1,354.4

13 Accounts receivable

	At 30 June 2025 \$'million	At 31 December 2024 \$'million
Trade and other receivables	901.9	941.5
Interest receivable	55.9	57.4
Less: loss allowance	(5.6)	(0.4)
	952.2	998.5

All of the accounts receivable are expected to be recovered within one year.

Included in accounts receivable are trade receivables (net of loss allowance) with the following ageing analysis, based on the due date, as of the end of the reporting period:

	At 30 June 2025 \$'million	At 31 December 2024 \$'million
Current	178.0	167.7
Less than 1 month past due	14.9	15.5
1 to 3 months past due	13.8	10.3
More than 3 months past due	222.1	251.2
	428.8	444.7

According to the Group's credit policy, the credit period granted to customers is generally between 30 days and 90 days. Therefore, all the balances which are not past due as disclosed above are within three months from the invoice date.

14 Bank deposits and cash

	At 30 June 2025 \$'million	At 31 December 2024 \$'million
Cash at bank and on hand	511.4	42.5
Bank deposits	1,609.6	1,887.4
	2,121.0	1,929.9
Less: restricted bank deposits	(323.1)	(375.5)
Bank deposits and cash in the consolidated statement of financial position	1,797.9	1,554.4
Less: bank deposits with original maturities of over three months	(783.9)	(915.7)
Cash and cash equivalents in the condensed consolidated cash flow statement	1,014.0	638.7

15 Accounts payable and accruals

As of the end of the reporting period, the ageing analysis of trade payables (which are included in accounts payable and accruals), based on the due date, is as follows:

	At 30 June 2025 \$'million	At 31 December 2024 \$'million
Due within 1 month or on demand	158.2	125.6
Due after 1 month but within 3 months	1.1	1.2
Due after more than 3 months	0.6	0.8
Trade payables	159.9	127.6
Balance of toll exemption fund (note 6(c))	287.8	353.8
Retention payables	51.8	51.8
Deposits received in advance, other payables and accruals	881.0	1,038.3
Amount due to an associate	4.9	4.9
	1,385.4	1,576.4

All of the accounts payable and accruals are expected to be settled within one year.

Amount due to an associate is unsecured, interest-free and has no fixed terms of settlement.

The credit period granted to the Group is generally between 30 days and 90 days.

16 Fair value measurement of financial instruments

(a) Financial instruments measured at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

	30 June 2025				31 December 2024			
	Fair value measurements categorised into				Fair value measurements categorised into			
	Fair value \$'million	Level 1 \$'million	Level 2 \$'million	Level 3 \$'million	Fair value \$'million	Level 1 \$'million	Level 2 \$'million	Level 3 \$'million
Recurring fair value measurements								
<i>Assets:</i>								
Investments in financial assets measured at FVOCI (recycling)	525.8	525.8	–	–	407.4	407.4	–	–
Other financial assets measured at FVPL	5.1	5.1	–	–	5.9	5.9	–	–
Unlisted equity securities	975.7	–	–	975.7	998.1	–	–	998.1
Derivative financial instruments – other forward foreign exchange contracts	–	–	–	–	0.1	–	0.1	–

During the six months ended 30 June 2025, there were no transfers between instruments in Level 1 and Level 2, or transfers into or out of Level 3 (six months ended 30 June 2024: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

16 Fair value measurement of financial instruments *(continued)*

(b) Valuation techniques and inputs used in Level 2 fair value measurements

The fair values of forward foreign exchange contracts in Level 2 were marked to market using quoted market prices from financial institutions.

(c) Information about Level 3 fair value measurement

	Valuation technique	Significant unobservable inputs	Percentage
Unlisted equity securities	Market comparable companies	Discount for lack of marketability	35% (31 December 2024: 35%)

The fair value of unlisted equity securities is determined using the market approach of comparable companies adjusted for lack of marketability discount. The fair value measurement is negatively correlated to the discount for lack of marketability. As at 30 June 2025, it is estimated that with all other variables held constant, a decrease/increase in the discount for lack of marketability by 5 percentage points would have increased/decreased the Group's other comprehensive income by \$75.1 million (2024: \$76.8 million).

The movement during the period in the balance of Level 3 fair value measurements is as follows:

	2025 \$'million	2024 \$'million
Unlisted equity securities:		
At 1 January	998.1	1,033.7
Fair value loss recognised in other comprehensive income during the period	(22.4)	(63.9)
At 30 June	975.7	969.8

Any gains or losses arising from the remeasurement of the Group's unlisted equity securities held for strategic purposes are recognised in the fair value reserve (non-recycling) in other comprehensive income.

(d) Fair values of financial instruments carried at other than fair value

All financial instruments carried at amortised cost are carried at amounts not materially different from their fair values as at 30 June 2025 and 31 December 2024.

17 Commitments

Capital commitments

- (i) At 30 June 2025, the Group had the following capital commitments in relation to the purchase of other property, plant and equipment not provided for in the interim financial report:

	At 30 June 2025 \$'million	At 31 December 2024 \$'million
Contracted for	181.1	139.5

- (ii) At 30 June 2025, the Group's share of capital commitments of the joint operation in respect of investment property under development not provided for in the interim financial report is as follows:

	At 30 June 2025 \$'million	At 31 December 2024 \$'million
Contracted for	31.2	32.3

18 Transactions with related companies

		Income/(expense) Six months ended 30 June	
	Note	2025 \$'million	2024 \$'million
Nature of transactions			
Service fees for provision of coach services	(a) & (b)	19.6	19.1
Insurance premium paid	(c)	(18.3)	(51.1)
Amount paid and accrued for property management service	(d)	(0.5)	(0.5)
Amount paid and accrued for property manager's remuneration and other expenses	(e) & (f)	(8.1)	(8.5)
Amount paid and accrued for leasing management services	(g)	(2.2)	(1.4)
Amount paid and accrued for cleaning services	(h)	(6.9)	(7.0)

18 Transactions with related companies *(continued)*

Notes:

- (a) During the period, the Group provided coach services ("Shuttle Bus Service Contracts") to certain subsidiaries of Sun Hung Kai Properties Limited ("SHKP"), a substantial shareholder of the Company. The amounts received and receivable under the Shuttle Bus Service Contracts amounted to \$3.3 million (six months ended 30 June 2024: \$3.2 million). Outstanding balances due from these companies at 30 June 2025 amounted to \$1.2 million (31 December 2024: \$1.4 million).
- (b) The Group also provided coach services to residents of certain residential property developments managed by certain members of SHKP and its subsidiaries ("SHKP Group") where the SHKP Group acts as agent for collection of the service fees ("Coach Service Arrangements"). The amounts received and receivable for these Coach Service Arrangements amounted to \$16.3 million (six months ended 30 June 2024: \$15.9 million). Outstanding balances due from these companies at 30 June 2025 amounted to \$7.9 million (31 December 2024: \$9.0 million).
- (c) In 2024, the Group entered into contracts with a subsidiary of SHKP, Sun Hung Kai Properties Insurance Limited ("SHKPI"), for the provision of various kind of insurance services to the Group for the period from 1 January 2025 to 31 December 2026 (the "2025/26 Insurance Arrangements"). The amount paid and payable under the 2025/26 Insurance Arrangements for the six months ended 30 June 2025 amounted to \$18.3 million (six months ended 30 June 2024: \$51.1 million). There was no outstanding balance payable under these contracts at 30 June 2025 and 31 December 2024.
- (d) On 3 July 2007, Lai Chi Kok Properties Investment Limited, Royal Elite Service Company Limited ("Royal Elite"), a subsidiary of SHKP, and the first assignee of a residential unit of Manhattan Hill entered into a deed of mutual covenant (the "Deed") pursuant to which the parties agreed that Royal Elite would act as the manager of Manhattan Hill. The amount paid and payable under the Deed during the six months ended 30 June 2025 amounted to \$0.5 million (six months ended 30 June 2024: \$0.5 million). Outstanding balance payable for this contract at 30 June 2025 amounted to \$0.1 million (31 December 2024: \$0.1 million).
- (e) On 29 December 2022, KTRE and TRL entered into the Property Management Agreement (the "Property Management Agreement") with Kai Shing Management Services Limited ("KSMS"), a subsidiary of SHKP, pursuant to which KSMS was appointed as the property manager for the units in the office/retail premises in The Millennity. The amount paid and payable under the Property Management Agreement for the property manager's remuneration and other expenses during the six months ended 30 June 2025 amounted to \$2.2 million (six months ended 30 June 2024: \$3.2 million). Outstanding balance payable for this contract at 30 June 2025 amounted to \$1.4 million (31 December 2024: \$1.3 million).
- (f) KSMS also incurred other fees on behalf of KTRE and TRL in relation to The Millennity, where KSMS acts as an agent for the collection of fees and payments ("Management Arrangements") on behalf of other independent vendors/contractors for their work. The amounts paid and payable for these Management Arrangements during the six months ended 30 June 2025 amounted to \$5.9 million (30 June 2024: \$5.3 million). Outstanding balances payable at 30 June 2025 amounted to \$3.2 million (31 December 2024: \$2.3 million).

18 Transactions with related companies *(continued)*

Notes: *(continued)*

- (g) On 29 December 2022, KTRE and TRL entered into the Office Premises Leasing Management Agreement and Retail Premises Leasing Management Agreement (collectively, the “Leasing Agreements”) with Sun Hung Kai Real Estate (Sales and Leasing) Agency Limited (“SHKRE(SL)”), a subsidiary of SHKP, pursuant to which SHKRE(SL) was appointed as the exclusive marketing and leasing agent and administrator for the units in the office and retail premises and parking spaces in The Millennity. The amount paid and payable under the Leasing Agreements for the leasing management fees and other expense during the six months ended 30 June 2025 amounted to \$2.2 million (six months ended 30 June 2024: \$1.4 million). Outstanding balance payable for these contracts at 30 June 2025 amounted to \$0.7 million (31 December 2024: \$0.7 million).
- (h) On 28 September 2023, KMB entered into the agreement (the “Cleaning Services Agreement”) with Nixon Cleaning Company Limited (“Nixon”), a subsidiary of SHKP, pursuant to which Nixon agreed to provide cleaning services to KMB at designated service locations, including premises, offices and depots. The amount paid and payable under the Cleaning Services Agreement for the six months ended 30 June 2025 amounted to \$6.9 million (six months ended 30 June 2024: \$7.0 million). Outstanding balance payable for this contract at 30 June 2025 amounted to \$8.9 million (31 December 2024: \$6.2 million).
- (i) On 20 December 2018, KTRE, TRL and Yee Fai Construction Limited (“Yee Fai”) (a subsidiary of SHKP) entered into a building contract (the “Building Contract”) in which KTRE and TRL have engaged Yee Fai to carry out and complete the building works involving the construction of commercial properties in Kwun Tong (“The Millennity”). KTRE and TRL shall pay Yee Fai, in equal shares, the contract sum of \$4,436.1 million (i.e. \$2,218.0 million each), subject to adjustments in accordance with the Building Contract. Outstanding balance accrued for this contract as at 30 June 2025 amounted to \$51.8 million (31 December 2024: \$62.5 million).
- (j) On 25 May 2023, The Kowloon Motor Bus Company (1933) Limited (“KMB”), a wholly-owned subsidiary of the Company, as purchaser and SmarTone Mobile Communications Limited (“SmarTone Mobile”), a subsidiary of SHKP, as vendor entered into a purchase contract, pursuant to which KMB agreed to purchase and SmarTone Mobile agreed to supply the hardware, software and documentation for people counting system (“PCS”) and Wi-Fi system and provide a suite of one-stop solutions for the design, management, implementation, installation, maintenance, training and after-sale support associated with PCS. The total consideration under the purchase contract amounted to \$46.3 million, comprising the initial purchase price for all PCS units and Wi-Fi systems units and the subsequent maintenance fees for periods up to 31 October 2025. Outstanding balance payable for this contract at 30 June 2025 amounted to \$11.9 million (31 December 2024: \$11.9 million).



REVIEW REPORT TO THE BOARD OF DIRECTORS OF

TRANSPORT INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 22 to 47 which comprises the consolidated statement of financial position of Transport International Holdings Limited as of 30 June 2025 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim financial reporting* as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 *Interim financial reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

21 August 2025

Corporate Directory

BOARD OF DIRECTORS

Dr Norman LEUNG Nai Pang*

GBS, JP, LLD, DSSc, BA
Chairman

Dr John CHAN Cho Chak*

GBS, JP, DBA(Hon), DSocSc(Hon),
BA, DipMS, CCMI, FCILT, FHKIoD
Deputy Chairman

Raymond KWOK Ping Luen^

JP, MA(Cantab), MBA, Hon DBA,
Hon LLD

William LOUEY Lai Kuen^

BSc(Econ)

Charles LUI Chung Yuen^

M.H., BEc, AASA, FCILT

Winnie NG^

JP, BA, MBA(Chicago), MPA(Harvard),
FCIM, CMILT, MHKIoD

Dr Eric LI Ka Cheung*

GBS, OBE, JP, LLD, DSocSc,
Hon DSocSc(EdUHK), BA,
FCPA, FCA, FCPA(Aust.)

Professor LIU Pak Wai*

SBS, JP

Allen FUNG Yuk Lun^

BA, Ph.D.

Roger LEE Chak Cheong

BSc, MSc, MICE, CEng
Managing Director

TSANG Wai Hung*

GBS, PDSM, JP, MBA

Dr CHEUNG Wing Yui^

BBS, BCom, Hon DBA, CPA(Aust.)

LEE Luen Fai^

BBS, JP, BA

LUNG Po Kwan^

BSocSc, MSocSc(Economics), MBA, CFA

Christopher KWOK Kai-wang^

JP, MBA, BSc

WANG Xiao Bin*

BCom, CPA (Aust.)

WONG Hong Kit

(Alternate Director to
Mr Raymond KWOK Ping Luen, JP^)

LAU Man-Kwan, Julia

JP
(Alternate Director to
Mr William LOUEY Lai Kuen^)

(* Independent Non-executive Director of the Company)

(^ Non-executive Director of the Company)

BOARD COMMITTEES

Audit and Risk Management Committee

Dr Eric LI Ka Cheung#
Professor LIU Pak Wai
Allen FUNG Yuk Lun
TSANG Wai Hung
WANG Xiao Bin

Nomination Committee

Dr John CHAN Cho Chak#
Dr Eric LI Ka Cheung
Allen FUNG Yuk Lun
WANG Xiao Bin

Remuneration Committee

Dr John CHAN Cho Chak#
Dr Eric LI Ka Cheung
Professor LIU Pak Wai
Winnie NG
LUNG Po Kwan

Standing Committee

Dr Norman LEUNG Nai Pang#
Dr John CHAN Cho Chak
Raymond KWOK Ping Luen
Charles LUI Chung Yuen
Winnie NG
Roger LEE Chak Cheong
William LOUEY Lai Kuen
TSANG Wai Hung

(# Committee Chairman)

COMPANY SECRETARY

YU Wai Cheung

B.Soc.Sc., CPA, FCCA

REGISTERED OFFICE

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Hamilton HM 11, Bermuda

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Website: www.tih.hk
E-mail: director@tih.hk

REGISTRARS

Hong Kong

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Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

Bermuda

Appleby Global Corporate Services (Bermuda) Limited

Canon's Court, 22 Victoria Street,
PO Box HM 1179, Hamilton HM EX
Bermuda

AUDITOR

KPMG

Certified Public Accountants
Public Interest Entity Auditor registered
in accordance with the Accounting and
Financial Reporting Council Ordinance
8/F, Prince's Building
10 Chater Road Central
Hong Kong

REGISTER OF MEMBERS

Book closure for 2025 interim dividend:
10 September 2025

DIVIDEND

Interim

HK\$0.30 per share,
payable on 21 October 2025

STOCK CODE

The Stock Exchange of Hong Kong: 62
Bloomberg: 62HK
Reuters: 0062.HK

This Interim Report is also available on our corporate website: www.tih.hk



載通國際
Transport International

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Website : www.tih.hk

Stock Code : 62