



Oriental Explorer Holdings Limited **東方興業控股有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 0430)

2025
INTERIM REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Lau Chi Yung, Kenneth (*Chairman*)
Mr. Lau Michael Kei Chi
(*Vice-Chairman and Managing Director*)
Ms. Leung Wei San Saskia

Independent Non-executive Directors

Mr. Tsui Ka Wah
Mr. Lo Kam Cheung, Patrick
Mr. Lo Mun Lam, Raymond
Mr. Ng Sing Yip

AUDIT COMMITTEE

Mr. Lo Kam Cheung, Patrick (*Chairman*)
Mr. Lo Mun Lam, Raymond
Mr. Tsui Ka Wah
Mr. Ng Sing Yip

REMUNERATION COMMITTEE

Mr. Tsui Ka Wah (*Chairman*)
Mr. Lau Chi Yung, Kenneth
Mr. Lau Michael Kei Chi
Ms. Leung Wei San Saskia
Mr. Lo Kam Cheung, Patrick
Mr. Lo Mun Lam, Raymond
Mr. Ng Sing Yip

NOMINATION COMMITTEE

Mr. Lau Chi Yung, Kenneth (*Chairman*)
Mr. Lau Michael Kei Chi
Ms. Leung Wei San Saskia
Mr. Tsui Ka Wah
Mr. Lo Kam Cheung, Patrick
Mr. Lo Mun Lam, Raymond
Mr. Ng Sing Yip

COMPANY SECRETARY

Mr. Wong Ka Chun
(*Appointed on 8 August 2025*)
Ms. Tang Cheung Kai, Kinnie
(*Resigned on 8 August 2025*)

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of Communications (Hong Kong) Limited

SOLICITORS

Wong & Tang Solicitors

AUDITOR

Beijing Xinghua Caplegend CPA Limited
Certified Public Accountants
and Registered Public Interest Entity Auditor
1/F, GR8 Inno Tech Centre
46 Tsun Yip Street
Kwun Tong
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS

Units 22-28, 25/F
Tower A, Southmark
11 Yip Hing Street
Wong Chuk Hang
Hong Kong

PRINCIPAL SHARE REGISTRAR & TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR & TRANSFER OFFICE

Tricor Tengis Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

INTERIM RESULTS

The board of directors (the “Board”) of Oriental Explorer Holdings Limited (the “Company”) announces the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025, together with the comparative figures as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

		For the six months ended 30 June	
		2025	2024
	Notes	HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
REVENUE	3	12,660	12,458
Cost of services provided		<u>(3,003)</u>	<u>(2,767)</u>
Gross profit		9,657	9,691
Other income and gains	3	766	297
Fair value changes on equity investments at fair value through profit or loss, net		(16)	(12)
Operating and administrative expenses		(2,787)	(3,017)
Finance costs	5	<u>(2,497)</u>	<u>(3,693)</u>
PROFIT BEFORE TAX	4	5,123	3,266
Income tax expense	6	<u>(836)</u>	<u>(486)</u>
PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY		<u>4,287</u>	<u>2,780</u>
EARNINGS PER SHARE			
Basic and diluted	8	<u>HK1.10 cents</u>	<u>HK0.72 cents</u>

Details of interim dividend are disclosed in Note 7.

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	4,287	2,780
OTHER COMPREHENSIVE LOSS		
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of foreign operations	—	(186)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY	4,287	2,594

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment		42	45
Investment properties		1,611,210	1,611,210
Right-of-use assets		319	322
Club debenture		330	330
Investment accounted for using the equity method		—*	—*
Total non-current assets		1,611,901	1,611,907
CURRENT ASSETS			
Amount due from investment accounted for using the equity method	9	16,370	14,350
Trade receivables	10	297	371
Prepayments, deposits and other receivables		1,167	1,436
Equity investments at fair value through profit or loss		19	35
Cash and cash equivalents	11	12,723	8,167
Total current assets		30,576	24,359
CURRENT LIABILITIES			
Other payables and accruals		14,152	15,252
Amounts due to fellow subsidiaries	12	169,397	164,844
Tax payable		3,114	2,314
Total current liabilities		186,663	182,410
NET CURRENT LIABILITIES		(156,087)	(158,051)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,455,814	1,453,856
NON-CURRENT LIABILITIES			
Deferred tax liabilities		27,837	27,837
Total non-current liabilities		27,837	27,837
Net assets		1,427,977	1,426,019
EQUITY			
Equity attributable to owners of the Company			
Share capital	13	38,818	38,818
Reserves		1,389,159	1,387,201
Total equity		1,427,977	1,426,019

* Less than HK\$1,000

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the Company					
	Share capital HK\$'000 (Unaudited) (Note 13)	Share premium account HK\$'000 (Unaudited)	Capital redemption reserve HK\$'000 (Unaudited)	Exchange fluctuation reserve HK\$'000 (Unaudited)	Retained profits HK\$'000 (Unaudited)	Total equity HK\$'000 (Unaudited)
At 1 January 2024	38,818	579,126	546	110	853,111	1,471,711
Profit for the period	–	–	–	–	2,780	2,780
Other comprehensive loss for the period:						
Exchange differences on translation of foreign operations	–	–	–	(186)	–	(186)
Final 2023 dividend paid	–	–	–	–	(4,658)	(4,658)
At 30 June 2024	<u>38,818</u>	<u>579,126</u>	<u>546</u>	<u>(76)</u>	<u>851,233</u>	<u>1,469,647</u>
At 1 January 2025	38,818	579,126	546	100	807,429	1,426,019
Profit for the period	–	–	–	–	4,287	4,287
Final 2024 dividend paid	–	–	–	–	(2,329)	(2,329)
At 30 June 2025	<u>38,818</u>	<u>579,126</u>	<u>546</u>	<u>100</u>	<u>809,387</u>	<u>1,427,977</u>

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

For the six months ended 30 June

2025

2024

Note

HK\$'000

HK\$'000

(Unaudited)

(Unaudited)

NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		6,745	(138,683)
NET CASH INFLOW FROM INVESTING ACTIVITIES		30	98
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		(2,219)	(12,226)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		4,556	(150,811)
Cash and cash equivalents at beginning of the period		8,167	158,992
Effect of foreign exchange rate change, net		–	(186)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		12,723	7,995
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	11	12,723	7,995
Cash and cash equivalents		12,723	7,995

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited interim condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The accounting policies and basis of preparation used in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2024 except as noted below.

In the current period, the Group has applied, for the first time, the following amendments issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 January 2025.

Amendments to HKAS 21 *Lack of Exchangeability*

These amendments do not have an impact on the interim condensed consolidated financial statements of the Group.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one (2024: one) reportable operating segment which is the property investment segment that mainly comprises rental income from investment properties and therefore no further discrete financial information nor analysis of this single segment is presented.

Geographical information

Revenue from external customers:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Hong Kong	12,636	12,458
Mainland China	24	—
	<u>12,660</u>	<u>12,458</u>

The revenue information of operations above is based on the locations of the customers. No single external customer accounted for 10% or more of the total revenue for the six months ended 30 June 2025 and 2024.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. REVENUE, OTHER INCOME AND GAINS

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<i>Revenue from other sources</i>		
Rental income from property letting under fixed lease payments	12,660	12,458
<i>Other income and gains</i>		
Interest income on bank deposits	30	98
Interest income from amount due from investment accounted for using the equity method	361	—
Others	375	199
	766	297

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	3	3
Depreciation of right-of-use assets	4	4
Employee benefits expense (including directors' and chief executive's remuneration):		
Salaries, wages and other benefits	1,293	1,034
Pension scheme contributions (defined contribution scheme)	55	40
Total staff costs	1,348	1,074

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest on bank loans	–	1,050
Interest on loan from a fellow subsidiary	2,497	2,643
	<u>2,497</u>	<u>3,693</u>

6. INCOME TAX

The provision for Hong Kong Profits Tax for the six months ended 30 June 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the period, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%) during the period under reporting.

Taxes on profits assessable in Mainland China have been calculated at the rate of tax prevailing in Mainland China, in which the Group operates.

Pursuant to the relevant PRC tax laws and regulations, a non-resident enterprise is generally subject to a 10% Enterprise Income Tax on PRC-sourced income if such non-resident enterprise does not have an establishment or place in the PRC. The Group's subsidiaries incorporated in Hong Kong and engaged in the property investment in the PRC do not have an establishment or place in the PRC. As a result, those subsidiaries are subject to a 10% Enterprise Income Tax on PRC-sourced income.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax – Hong Kong		
Charge for the period	839	515
Over-provision in prior years	(3)	(34)
	<u>836</u>	<u>481</u>
Current tax – Mainland China		
Charge for the period	–	5
Total tax charge for the period	<u>836</u>	<u>486</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

7. DIVIDENDS

- (a) Dividend recognised as distribution during the period:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Final dividend for 2024 paid – HK0.6 cent (2024: 2023 final dividend of HK1.2 cents) per ordinary share	2,329	4,658

- (b) Dividend declared after the end of the reporting period:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interim dividend declared – HK0.8 cent (2024: HK0.8 cent) per ordinary share	3,105	3,105

The Board declared an interim dividend of HK0.8 cent per share at the meeting held on 28 August 2025. Dividend warrants will be posted on or about 23 October 2025 to shareholders whose names appear on the register of members of the Company on 17 September 2025.

The above interim dividend was declared after the interim reporting dates and has not been recognised as liabilities at the end of the respective reporting periods.

8. EARNINGS PER SHARE

The calculation of basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the Company of approximately HK\$4,287,000 (2024: HK\$2,780,000), and the weighted average number of ordinary shares in issue during the period of 388,183,600 (2024: 388,183,600 shares).

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

9. AMOUNT DUE FROM INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

As at 30 June 2025 and 31 December 2024, amount due from investment accounted for using the equity method is unsecured, interest-bearing at average lending rate of Bank Negara Malaysia and repayable on demand.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10. TRADE RECEIVABLES

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
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Trade receivables	297	371
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Trade receivables mainly consist of receivables from rental receivables, the tenants are usually required to settle the rental payments on the first day of the rental period, and are required to pay rental deposits with amount ranging from two to three months' rentals in order to secure any default in their rental payments. The Group does not hold any collateral or other credit enhancements over its trade receivables balances.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice dates and net of loss allowance, is as follows:

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Within 1 month	234	290
1 to 2 months	56	37
2 to 3 months	6	–
3 to 12 months	–	44
Over 1 year	1	–
	297	371

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

11. CASH AND CASH EQUIVALENTS

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Cash and bank balances	12,723	8,167
Cash and cash equivalents	12,723	8,167

Cash at banks earns interest at floating rates based on daily bank deposits rates.

12. AMOUNTS DUE TO FELLOW SUBSIDIARIES

As of 30 June 2025, the Group has an outstanding balance due to its fellow subsidiaries amounting to approximately HK\$169,397,000 (31 December 2024: HK\$164,844,000), including HK\$144,000,000 (31 December 2024: HK\$144,000,000) are unsecured, interest-bearing at HIBOR plus 1.05% and repayable within one year. The remaining balances are unsecured, interest-free, and repayable on demand.

13. SHARE CAPITAL

Shares

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Authorised: 2,000,000,000 ordinary shares of par value HK\$0.1 each	200,000	200,000
Issued and fully paid: 388,183,600 ordinary shares of par value HK\$0.1 each	38,818	38,818

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in Note 14 to the unaudited condensed consolidated financial statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 25 May 2023 as to provide incentives and rewards to eligible participants who contribute to the success of the business of the Group.

Under the Scheme, the directors of the Company may at their absolute discretion and subject to the terms of the Scheme, grant options to any employees (full-time or part-time), directors, shareholders, advisers, consultants or service providers of the Group, to subscribe for shares of the Company. The eligibility of any participants to the grant of any options shall be determined by the directors from time to time on the basis of the directors' opinion as to their contribution to the development and growth of the Group.

The total number of shares of the Company available for issue in respect of the options to be granted under the Scheme is limited to 38,818,360 shares, which represents 10% of the issued shares of the Company as at the date of approval of the Scheme, and represents 10% of the issued shares of the Company as at 30 June 2025.

Pursuant to the Scheme, no grant of share options shall result in the shares of the Company issued and to be issued in respect of all share options granted and to be granted to a participant in the 12-month period up to and including the relevant time of grant exceeds 1% of the issued shares of the Company at such time of grant. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive directors of the Company (excluding any independent non-executive director who is the grantee). Where any share options granted to a substantial shareholder or an independent non-executive director of the Company, or any of their respective close associates would result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) under the Scheme and any other share option schemes of the Company to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the shares of the Company in issue must be approved by the Company's shareholders at the general meeting of the Company, with such participant and his/her close associates abstaining from voting.

The exercise period of the share options granted is determinable by the directors, commences after a certain vesting period and ends on a date which is not later than 10 years from the date of grant of the option.

The subscription price shall be a price determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the offer date, which must be a business day; (ii) the average closing prices of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the offer date; and (iii) the nominal value of the Company's share on the offer date.

The Scheme shall be valid and effective for a period of ten years commencing on 25 May 2023 and expiring on 24 May 2033, subject to early termination provisions contained in the Scheme.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. SHARE OPTION SCHEME *(continued)*

No share options were granted since the adoption of the Scheme and there were no share option outstanding as at 30 June 2025 (31 December 2024: Nil).

As at 30 June 2025, there were 38,818,360 (1 January 2025: 38,818,360) share options available for grant under the Scheme and 3,881,836 (1 January 2025: 3,881,836) share options available for grant under the service provider sublimit of the Scheme.

15. LEASE

(a) The Group as a lessor

The Group leases its investment properties under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the period was HK\$12,660,000 (2024: HK\$12,458,000), details of which are included in Note 3 to the unaudited condensed consolidated financial statements.

At 30 June 2025 and 31 December 2024, the undiscounted lease payments receivable by the Group in the future periods under non-cancellable operating leases with its tenants are as follows:

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Within one year	19,429	17,502
After one year but within two years	9,098	6,356
After two years but within three years	1,804	609
	<u>30,331</u>	<u>24,467</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. LEASE (continued)

(b) The Group as a lessee

The amounts recognised in profit or loss in relation to leases are as follows:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Depreciation charge of right-of-use assets	4	4
Expense relating to short-term leases	450	450
Total amount recognised in profit or loss	454	454

The Group regularly entered into short-term leases for office premises. The Group does not recognise right-of-use assets and lease liabilities in regard of these short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease terms. There is no renewal options and variable lease payments included in the lease agreement.

For the period ended 30 June 2025, total cash outflow for leases amounts to approximately HK\$450,000 (30 June 2024: HK\$450,000).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

16. RELATED PARTY TRANSACTIONS

A summary of related party transactions is set out below:

(a) Transactions with related parties

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Entities controlled by Mr. Lau Chi Yung, Kenneth, an executive director		
– Management fee income (<i>Note</i>)	120	120
Fellow subsidiaries		
– Interest expenses on loan from a fellow subsidiary	2,497	2,643
– Management fee expenses	42	42
– Rental expenses	450	450
Joint venture		
– Interest income	<u>361</u>	<u>–</u>

Note: The above transactions with related parties were administrative services fee shared on a cost basis mutually agreed between the relevant parties.

(b) Outstanding balances with related parties

- (i) Details of amount due from investment accounted for using the equity method as at the end of the reporting period are included in Note 9 to the unaudited condensed consolidated financial statements.
- (ii) Details of amounts due to fellow subsidiaries as at the end of the reporting period are included in Note 12 to the unaudited condensed consolidated financial statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

16. RELATED PARTY TRANSACTIONS *(continued)*

- (c) Compensation of key management personnel of the Group

Key management includes directors. The compensation paid or payable to key management for employee services is shown below:

	For the six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Fees	192	126
Basic salaries, bonuses, other allowances and benefits in kind	—	—
Pension costs – defined contribution plan	—	—
	<u>192</u>	<u>126</u>

17. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements were approved and authorised for issue by the Board on 28 August 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATION

Property investment

The Group's investment properties mainly comprise offices, industrial and residential units in Hong Kong. These investment properties contributed rental revenue of approximately HK\$12.7 million for the six months ended 30 June 2025 (2024: HK\$12.5 million). The increase in rental revenue was mainly attributable to the increase in overall portfolio occupancy rates.

FINANCIAL REVIEW

During the six months ended 30 June 2025, the Group recorded an increase in profit of approximately HK\$1.5 million or 54% to approximately HK\$4.3 million (2024: HK\$2.8 million). The rise in profit was mainly due to the decrease in finance costs of approximately HK\$1.2 million or 32% to HK\$2.5 million during the period under reporting (2024: HK\$3.7 million).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

The Group did not have any material acquisitions or disposals of subsidiaries, associated companies and joint ventures during the six months ended 30 June 2025.

FOREIGN CURRENCY EXPOSURE

The Group is currently not exposed to any material foreign exchange risks as most of the monetary assets and liabilities are denominated in Hong Kong dollars. The management will consider suitable hedging instruments against significant currency exposure should the need arises.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows and amounts due to fellow subsidiaries. The Group's cash and cash equivalents as of 30 June 2025 amounted to approximately HK\$12.7 million (31 December 2024: HK\$8.0 million).

As of 30 June 2025, amounts due to fellow subsidiaries amounted to approximately HK\$169.4 million (31 December 2024: HK\$164.8 million).

The Group's gearing ratio was approximately 12% (calculated based on total borrowings divided by total equity) as at 30 June 2025 (31 December 2024: 12%).

CONTINGENT LIABILITY

As of 30 June 2025, the Group had no material contingent liability.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events which may materially affect the Group's operations and financial performance subsequent to 30 June 2025 and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICY

As of 30 June 2025, the Group had 7 employees in Hong Kong. During the period, the staff costs (including directors' emoluments) amounted to approximately HK\$1.3 million (2024: HK\$1.1 million).

The objective of the Group's remuneration policy is to maintain fair and competitive packages based on business requirements and industry practice. In order to determine the level of remuneration paid to its employees (including directors and senior management), their performance, experience and the prevailing market condition are mainly considered. In addition to salaries, provident fund scheme, discretionary bonuses and tuition/training subsidies are available to employees. Level of remuneration is reviewed annually. During the review process, no individual director is involved in decisions relating to his own remuneration.

PROSPECT

Although the residential leasing market in Hong Kong remained stable in the first half of 2025, demand for office and industrial properties continued to weaken, which may adversely affect overall rental levels and occupancy rates of such properties and, in turn, the valuation of the Group's property portfolio as at the end of 2025. In addition, recent volatility in the Hong Kong Interbank Offered Rate has introduced the risk of higher borrowing costs for the Group. Accordingly, the Group's financial performance for 2025 is subject to significant uncertainty.

To further expand its core business and diversify risk, the Group has in recent years actively pursued overseas investments, including real estate development projects in Malaysia. Looking ahead, the Group will continue to seek diversified investment opportunities across various markets with the aim of further enhancing shareholder returns.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As of 30 June 2025, the interests and short positions of the directors and the chief executive of the Company and each of their respective associates, in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

Long position in ordinary shares of the Company

Name of director	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of the Company %
Mr. Lau Chi Yung, Kenneth	Interest of controlled corporation	291,137,700*	75.00

Long position in ordinary shares of associated corporation – Multifield International Holdings Limited, an intermediate holding company of the Company

Name of director	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of associated corporation %
Mr. Lau Chi Yung, Kenneth	Interest of controlled corporation	559,411,142*	66.91

* The above shares are ultimately controlled by Power Resources Holdings Limited, which acts as the trustee under the Power Resources Discretionary Trust, a family discretionary trust, the discretionary objects of which include Mr. Lau Chi Yung, Kenneth and his family.

The interests of the directors in the share option scheme of the Company are disclosed in Note 14 to the unaudited condensed consolidated financial statements.

Other than certain nominee shares in subsidiaries held by a director in trust for the companies in the Group, no director held an interest in the share capital of the Company's subsidiaries during the six months ended 30 June 2025.

Save as disclosed above, as of 30 June 2025, none of the directors and chief executive of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of SFO); or (ii) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) are required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

OTHER INFORMATION

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading “Directors’ and chief executive’s interests or short positions in the shares, underlying shares and debentures of the Company and associated corporations” above and in the share option scheme disclosures in Note 14 to the unaudited condensed consolidated financial statements, at no time during the six months ended 30 June 2025 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES

So far as was known to the directors of the Company, as of 30 June 2025, the following interests of 5% or more in the issued shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Long positions in ordinary shares of the Company

Name of shareholders	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of the Company %
Limitless Investment Limited	Directly beneficially owned	291,137,700 [#]	75.00
Multifield International Holdings (B.V.I.) Limited	Interest of controlled corporation	291,137,700 [#]	75.00
Multifield International Holdings Limited	Interest of controlled corporation	291,137,700 [#]	75.00
Lucky Speculator Limited	Interest of controlled corporation	291,137,700 [#]	75.00
Desert Prince Limited	Interest of controlled corporation	291,137,700 [#]	75.00
Power Resources Holdings Limited	Interest of controlled corporation	291,137,700 [#]	75.00

[#] Power Resources Holdings Limited was deemed to have a beneficial interest in 291,137,700 ordinary shares of the Company by virtue of its indirect interests in Lucky Speculator Limited, Desert Prince Limited, Multifield International Holdings Limited, Multifield International Holdings (B.V.I.) Limited and Limitless Investment Limited.

Save as disclosed above, as of 30 June 2025, so far as was known to the directors of the Company, no person, other than a director, whose interests are set out in the section “Directors’ and chief executive’s interests or short positions in the shares, underlying shares and debentures of the Company and associated corporations” above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 15 September 2025 to Wednesday, 17 September 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 12 September 2025. The interim dividend will be paid to shareholders whose names appear on the register of members on Wednesday, 17 September 2025 and the payment date will be on or about Thursday, 23 October 2025.

OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2025.

REVIEW BY AUDIT COMMITTEE

The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the Group's unaudited interim results for the six months ended 30 June 2025.

CORPORATE GOVERNANCE CODE

In the opinion of the directors of the Company, the Company has applied the principles and complied with code provisions of the Corporate Governance Code (the "Code") as set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 June 2025, save as disclosed below.

Under code provision B.2.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Under the bye-laws of the Company, at each annual general meeting, one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation save any director holding office as chairman and managing director. The Board considers that the exemption of both the chairman and the managing director of the Company from such retirement by rotation provisions would provide the Group with strong and consistent leadership, efficient use of resources, effective planning, formulation and implementation of long-term strategies and business plans. The Board believes that it would be in the best interest of the Company for such directors to continue to be exempted from retirement by rotation provisions. The Company intends to propose any amendment of relevant bye-laws of the Company, if necessary, in order to ensure compliance with the Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 of the Listing Rules as its own code of conduct regarding directors' securities transactions. Based on specific enquiry of all directors of the Company, all directors of the Company confirmed that they have complied with the required standard set out in the Model Code for the six months ended 30 June 2025.

PUBLICATION OF INTERIM REPORT

The interim report of the Company for 2025 containing all the information required by the Listing Rules has been published on the websites of the Company (www.irasia.com/listco/hk/orientalexplorer/index.htm) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

BOARD OF DIRECTORS

As of the date of this report, the executive directors of the Company are Mr. Lau Chi Yung, Kenneth, Mr. Lau Michael Kei Chi and Ms. Leung Wei San Saskia and the independent non-executive directors of the Company are Mr. Lo Mun Lam, Raymond, Mr. Lo Kam Cheung, Patrick, Mr. Tsui Ka Wah and Mr. Ng Sing Yip.

By Order of the Board
Lau Chi Yung, Kenneth
Chairman

Hong Kong, 28 August 2025