



(Incorporated in Bermuda with limited liability)
Stock Code: 1168

2025

INTERIM REPORT

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Director

Tang Yui Man Francis
(Chairman and Chief Executive Officer)

Non-executive Directors

Ou Jin Yi Hugo
Ou Jin Yao Norris
Xu Xiujian (appointed on 30 August 2025)

Independent Non-executive Directors

Cheung Adrian Jeremy Ka Hing
(appointed on 30 August 2025)

Tian Jin
Xin Luo Lin
Chen Hui (resigned on 30 August 2025)

AUTHORISED REPRESENTATIVES

Tang Yui Man Francis
Ou Jin Yi Hugo

COMPANY SECRETARY

Lo Tai On

AUDIT COMMITTEE

Xin Luo Lin (Chairman)
Cheung Adrian Jeremy Ka Hing
(appointed on 30 August 2025)
Tian Jin
Chen Hui (resigned on 30 August 2025)

NOMINATION COMMITTEE

Tian Jin (Chairman)
Cheung Adrian Jeremy Ka Hing
(appointed on 30 August 2025)
Tang Yui Man Francis
Xin Luo Lin
Chen Hui (resigned on 30 August 2025)

REMUNERATION COMMITTEE

Xin Luo Lin (Chairman)
Cheung Adrian Jeremy Ka Hing
(appointed on 30 August 2025)
Tang Yui Man Francis
Chen Hui (resigned on 30 August 2025)

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditors
22/F, Prince's Building
Central
Hong Kong

REGISTERED OFFICE

Clarendon House
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Bermuda

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Email : ir@zfin.com
Stock Code : 1168
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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
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Wanchai
Hong Kong

HONG KONG BRANCH SHARE TRANSFER OFFICE

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

LEGAL ADVISORS

(As to Hong Kong Law)
Cleary Gottlieb Steen & Hamilton
(Hong Kong)
Deacons
Guantao & Chow Solicitors & Notaries
JunHe Law Offices
Norton Rose Fulbright Hong Kong
Tsang, Chan & Wong
(As to Bermuda Law)
Conyers Dill & Pearman

PRINCIPAL BANKERS

Bank of China Limited
Bank of China (Hong Kong) Limited
China Merchants Bank Company Limited
Hang Seng Bank Limited
Ping An Bank
The Bank of East Asia, Limited
Shanghai Pudong Development Bank

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FINANCIAL HIGHLIGHTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

- Revenue increased 60.9% to HK\$289.3 million
- Gross profit increased 80.5% to HK\$203.2 million
- Loss attributable to owners of the Company amounted to HK\$507.1 million
- Basic loss per share amounted to HK\$1.59

MANAGEMENT DISCUSSION AND ANALYSIS

In the first half of 2025, the international situation was still austere, complicated and changeable, geopolitical and economic uncertainties continued to weigh on global financial markets. While global inflationary pressures continued to moderate, major economies like the United States began a cycle of interest rate cuts to counteract slowing growth, leading to a volatile environment for global financial markets. Geopolitical uncertainties also persisted, weighing on international trade and investment sentiment. However, the domestic economy in China maintained a steady recovery trend with improving momentum. The People's Republic of China ("**PRC**") government enhanced its policy support, rolling out measures to boost domestic consumption, stabilise the property market, and promote high-quality development through technological innovation and industrial upgrading.

The financial technology ("**FinTech**") industry is a technology-driven financial innovation industry. The booming digital economy has provided a broad space for its development and the rapidly evolving digital technology has injected abundant vitality into the digital transformation of finance. Despite uncertainties in the development environment both domestically and abroad, the comprehensive development of digital transformation of finance driven by FinTech has become a definite trend with marvellous development prospects. As China emerged from the pandemic, the national economy has steadily restarted. The FinTech sentiment index has reached a new record since pandemic, reflecting the greater resilience and expected steady growth of the industry. China's FinTech industry is now projected to see its transaction value expand to USD10.06 trillion by 2030, representing a compound annual growth rate (CAGR) of 15.67% for the forecast period, demonstrating the industry's immense long-term potential.

The real estate market in the PRC has become an important pillar of the national economy and the wealth store after more than 20 years of rapid growth. However, concomitant with disappearing demographic dividend, entering late stages of urbanisation, slowing down of economic growth, advancing of financial deleveraging and strengthening government regulation and control, is the real estate market facing unprecedented challenges and pressure. Throughout the second half of 2024 and into the first half of 2025, the government departments at all levels actively optimised the property policies to facilitate a steady operation of real estate market, especially in business property loans, lowering mortgage interest rates, and reducing down payments for house purchases, while Shanghai, Guangzhou, Hangzhou, Xi'an and other cities relaxing purchase restrictions and the establishment of a national fund for destocking housing inventory. It is expected that in the second half of 2025, the real estate market will be still in the stage of adjustment and transformation, and the government is expected to continue to appropriately relax some restrictive measures to stimulate housing demand and consumption on the premise of maintaining the same policy control.

In respect of inflation, the PRC economy is still operating below potential output and the overall inflationary pressure is low. As of June 2025, the PRC consumer price index (CPI) rose by a modest 0.1% year-on-year and Producer Price Index (PPI) dropped by 3.6% year-on-year. We believe that the overall price level is still difficult to get rid of downward pressure in a short period of time in the second half of the year, and the domestic demand needs to be strengthened by policies.

MANAGEMENT DISCUSSION AND ANALYSIS

Against this backdrop and macro environment, Z Fin Limited (the “**Company**”) and its subsidiaries (the “**Group**”) have been exploring new growth approaches to capture potential opportunities arising from the new form of economic development, while seeking opportunities and launching initiatives for investing and participating in particularly FinTech and new economy sectors and striving for greater room to expand its operations in pursuit of sustainable development and stable return.

The Group has been actively responding to the PRC government’s and the Hong Kong SAR government’s continued approach to promote FinTech development, and made great efforts in exploring the methodology of enhancing its business model and creating value for the Group. While maintaining to develop real estate business and financing services business, the Group actively collaborated with leading FinTech companies in the market and grasped every opportunity to develop in the FinTech market. For instance, we invested in ZhongAn Online P & C Insurance Co., Ltd. (“**ZhongAn Online**”) (stock code: 6060), with whom we established a joint venture, ZhongAn Technologies International Group Limited (“**ZA Global**”).

For the six months ended 30 June 2025, the Group’s revenue was HK\$289.3 million, increasing by 60.9% as compared to the same period of last year. Gross profit was HK\$203.2 million, increasing by 80.5% as compared to the same period of last year. The Company recorded loss attributable to owners of the Company of HK\$507.1 million during the period, as compared to HK\$150.5 million for the same period of last year. Basic loss per share amounted to HK\$1.59, as compared to HK\$0.47 for the same period of last year.

FINANCING SERVICES BUSINESS

Financing services business is principally engaged in provision of efficient financial solutions and multiple consultancy services, to satisfy technology and new economy companies’ demands for financial services at different stages of development. The financing services business is financed by the Group’s internal resources. In view of the fast development and adjustment in the financing services business in the PRC in recent years and our high standard requirements and emphasis on risk assessment on customers, the current source of customers are mainly by referral of close business partners or customers with excellent credit records.

As at 30 June 2025, the Group has a total of 5 borrowers (31 December 2024: 5) with total outstanding loan principal and interest receivables in the sum of HK\$303.2 million (31 December 2024: HK\$329.8 million), which comprised of entrusted loans of HK\$163.8 million (31 December 2024: HK\$159.1 million) to 1 borrower (31 December 2024: 1), other loans of HK\$139.4 million (31 December 2024: HK\$170.7 million) to 4 borrowers (31 December 2024: 4). As at 30 June 2025, a sum of HK\$163.8 million (31 December 2024: HK\$163.9 million) was due from the largest borrower of the Group and an aggregate sum of approximately HK\$303.2 million (31 December 2024: HK\$329.8 million) was due from the five largest borrowers of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2025, the Group's outstanding loan receivables analysed as follows:

	30 June 2025		31 December 2024	
	<i>HK\$'million</i> <i>(unaudited)</i>	<i>% of total</i>	<i>HK\$'million</i> <i>(audited)</i>	<i>% of total</i>
Current	301.9	99.6%	328.7	99.7%
Non-current	1.3	0.4%	1.1	0.3%
Total	<u>303.2</u>	<u>100.0%</u>	<u>329.8</u>	<u>100.0%</u>

For the six months ended 30 June 2025, the interest income from financing services business amounted to HK\$7.3 million (six months ended 30 June 2024: HK\$9.8 million) which mainly comprised interest income from entrusted loans of HK\$3.6 million (six months ended 30 June 2024: HK\$3.5 million) and interest income from other loans of HK\$3.7 million (six months ended 30 June 2024: HK\$6.3 million).

The Group has provided entrusted loans to certain PRC customers. Entrusted loans are loans made to the customers, using a licensed bank as a servicing agent. The Group will pay the licensed bank a service fee and the credit risk is borne by the Group. Entrusted loans service is regulated by the Administrative Measures on Entrusted Loans of Commercial Banks* (《商業銀行委託貸款管理辦法》) issued by China Banking and Insurance Regulatory Commission* (中國銀行保險監督管理委員會). During the six months ended 30 June 2025, the entrusted loans are unsecured, interest rates are fixed at 5% per annum (six months ended 30 June 2024: 5%) with terms of 1 to 2 years (six months ended 30 June 2024: 1 to 2 years). As at 30 June 2025 and 31 December 2024, entrusted loans are provided to an independent third party with principal of RMB150 million and RMB150 million respectively. Subsequent to the reporting period, the loans with original expiry date on 13 August 2025 have been extended to 12 August 2026 and secured by a share charge of 49% equity interest of the borrower. Specifically, RMB100 million of the loan was extended, while the remaining RMB50 million was fully repaid on 13 August 2025. For further details, please refer to the Company's announcement dated 7 August 2025.

The Group had loan receivables provided to independent third parties. During the six months ended 30 June 2025 and 30 June 2024, the major loan receivables are provided to an independent third party with principal of RMB173 million and RMB190 million respectively. The loan is unsecured, interest rate at 6% per annum with expiry date in September 2025. For further details, please refer to the Company's announcement dated 27 September 2023.

As at 30 June 2025, loan receivables from independent third parties are unsecured, carried at fixed interest rate ranged from 3.0% to 6.0% (31 December 2024: 3.0% to 6.0%) per annum.

* For identification purpose only

MANAGEMENT DISCUSSION AND ANALYSIS

Credit risk and impairment assessment

In order to minimize the credit risk, management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit rating system to assess the potential customer's credit quality and defines credit limits by customer. The internal credit rating system is a matrix of factors by performing background search and considering historical creditworthiness information, industry recognition. Credit risk of loans receivables, finance lease receivables, entrusted loans and receivables-based lending services are assessed individually. Collateral can be one of the ways to mitigate credit risk to certain extent, nevertheless, the Group mostly provides financing services based on the stringent credit assessment and puts more emphasis on the counterparties' ability to meet obligations out of their cash flows, income, net worth and historical credit records.

The Group has closely monitored the recoverability of the receivables to these counterparties, including considering the reasonableness and supportiveness of both available quantitative and qualitative information, ensured that adequate collateral is received from these counterparties and taken effective measures to ensure timely collection of outstanding balances. Effective measures include periodic visits to customers, regular updates of financial information and obtaining customer's future prospects.

Management has overall responsibility for the Group's credit policies and oversees the credit quality of the Group's receivables and loans portfolio. In addition, management reviews the recoverable amount of loan receivables individually at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts.

For the six months ended 30 June 2025, the provision for impairment loss on loan receivables amounted to approximately HK\$1.1 million (six months ended 30 June 2024: HK\$2.2 million), representing a decrease of approximately HK\$1.1 million. The net impairment loss was comprised of a reversal of impairment loss made for loan receivables categorised for entrusted loans of approximately HK\$2.5 million (six months ended 30 June 2024: a reversal of impairment loss of HK\$2.3 million) and an impairment loss made for loan receivables categorised for other loans of approximately HK\$3.6 million (six months ended 30 June 2024: HK\$4.5 million), respectively. The Group applies general approach to provide for Expected Credit Loss for loan receivables prescribed by Hong Kong Financial Reporting Standard ("HKFRS") 9 Financial Instruments. Loans receivables are assessed individually by the management of the Group by reference to past default experience, current past due exposure of the debtor, the nature and prospect of the debtor's operation.

MANAGEMENT DISCUSSION AND ANALYSIS

In determining whether there have been significant increases in credit risk, the following key criteria are taken into account:

- (a) an actual or expected significant deterioration in the borrower's external (if available) or internal credit rating;
- (b) significant deterioration in external market indicators of credit risk for the corporate borrower;
- (c) existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the borrower's ability to meet its debt obligations;
- (d) an actual or expected significant deterioration in the operating results of the corporate borrower;
- (e) significant increases in credit risk on other financial instruments of the same corporate borrower;
- (f) an actual or expected significant adverse change in the regulatory, economic or technological environment of the borrower that results in a significant decrease in the borrower's ability to meet its debt obligations;
- (g) status of the loan and interest receivables as at the reporting date, including any breach of contract such as a default or past due event as at the reporting date; and
- (h) whether it is probable that the borrower will enter bankruptcy or other financial reorganisation.

A borrower will be regarded as credit-impaired if he/she is in default of the loan principal, or has entered bankruptcy or other financial reorganisation, or has severely delayed payments of the loan principal or interests.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

AA Investment Management Limited ("**AA Investment**") is a wholly-owned subsidiary of the Company and is a Hong Kong-based wealth management and asset management company which holds Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) Licenses of the Securities and Futures Commission ("**SFC**") to carry out regulated activities in the financing services sector.

MANAGEMENT DISCUSSION AND ANALYSIS

AA Investment offers its retail and institutional clients a fully digital investment fund dealing and discretionary portfolio management services through different channels (mobile application and/or backend integration). Looking ahead, AA Investment's management team will continue to monitor macroeconomic developments and adjust strategies to safeguard client interests and capture emerging opportunities.

We believe that there are new opportunities arising by entering the post-epidemic stage. Although the clients affected by the pandemic are faced with increasing liquidity risks in the short term, which may impose downward pressure on the Group's asset quality and in turn impact its short-term operating results to a certain extent, we are confident that with improvement in the situation for mid to long-run, enterprises with high growth will gradually recover from liquidity shortage and remain favourable in the market, to which the Group will pay close attention. We will take proactive measures to tackle the new challenges brought by the complex situation.

JOINT VENTURE – ZA GLOBAL

Peak3 (Hong Kong) Limited ("Peak3") (Overseas Technology Export)

Peak3 (formerly known as ZA Tech), was incubated by ZA Global in 2018 to provide technology solutions to international enterprise customers. Peak3's main product portfolio includes Graphene, its cloud-native, AI-ready and modular insurance core platform, and Fusion, a cloud instance distribution and orchestration platform. Peak3's solutions support life, health and property & casualty insurance and are used by leading global insurers, digital platforms and other intermediaries.

In H1 2025, Peak3 focused on the expansion of its product capabilities. It completed a new major release of its Graphene core platform, which expanded its scope to commercial property & casualty insurance and group medical insurance. Furthermore, it included the release of diverse new artificial intelligence capabilities, including an AI agent orchestration platform, pre-integrated intelligent chatbots, intelligent document processing, and agentic claims assessment to drive its clients' efficiency, while improving user experience and decision making.

To support its growth in Europe with planned new deployments in France, Spain, Italy and Belgium in the coming months, it started the set up of a new technology centre in Madrid, which will also support its envisioned future expansion to Latin America. Peak3 received multiple technology related awards in 2025, including but not limited to Technology Standout Award by Celent and Top Initiative InsurTech Startup Award by ITC Asia, and has been recognised as a Representative Vendor by Gartner and as among the World's Top Fintech Companies 2025 by CNBC and Statista.

MANAGEMENT DISCUSSION AND ANALYSIS

ZA Bank Limited (“ZA Bank”)

ZA Bank, a subsidiary of ZA Global and a digital bank in Hong Kong, became one of the first banks in Hong Kong having been granted a digital banking license in 2019, and officially commenced operation in 2020. ZA Bank aims to build a local one-stop digital financial service platform in Hong Kong to provide diversified, convenient and inclusive financial services to retail customers and SMEs.

At present, ZA Bank has become one of the digital banks in the Hong Kong market that offers the most comprehensive functions and products, building a one-stop integrated digital financial service platform through its mobile app, which operates in a fully digitalized mode. The bank is currently one of the few digital banks that offers users 24/7 services such as deposits, loans, transfers, card spending, foreign exchange, insurance, investment and business banking.

In the first half of 2025, ZA Bank turned losses into profits with a net profit of HK\$49 million, marking a historical breakthrough. All key indicators performed well during the reporting period, including net revenue of approximately HK\$457 million, representing a year-on-year increase of 82.1%. Net interest income was HK\$297 million, representing a year-on-year increase of 42.8%, and non-interest income was HK\$160 million, representing a year-on-year increase of 272.1%. At the same time, benefiting from the continuous diversification of its loan products, ZA Bank's net interest margin further improved from 2.28% in the corresponding period of last year to 2.38% in the first half of 2025, outperforming the industry average. ZA Bank continued to focus on business quality and operating efficiency improvement, significantly boosting its cost-to-income ratio from 119% for the corresponding period of last year to 67%. As of 30 June 2025, ZA Bank's customer deposit balance increased by 8.8% as compared to the end of last year to approximately HK\$21,100 million, and its gross loan balance increased by 2.5% as compared to the end of last year to approximately HK\$6,008 million.

ZA Bank continued to expand its retail wealth management business, aiming to create a one-stop investment and wealth management experience. Since becoming the first digital bank in Hong Kong to be granted a Type 1 regulated activity (dealing in securities) license by the SFC in 2022, ZA Bank has been rapidly expanding its investment services by introducing fund and US stock access. In 2024, ZA Bank reached another milestone as it became Asia's first licensed bank to provide cryptocurrency trading services to retail investors in Hong Kong. ZA Bank allows users to buy and sell cryptocurrencies directly in HKD and USD through the ZA Bank App, without having to switch to other platforms, making the investment process unprecedentedly convenient. ZA Bank is currently one of the few licensed banks in Asia offering retail investors access to fund, US stock and cryptocurrency trading, placing it at the forefront of the new era of digital wealth management. As of 30 June 2025, ZA Bank's Invest client assets¹ increased by 125.3% year-on-year.

¹ The total balance of wealth management products held by users at ZA Bank, such as mutual funds, stocks, cryptocurrencies, etc.

MANAGEMENT DISCUSSION AND ANALYSIS

ZA Bank actively capitalized on opportunities presented by Web3, and has become a banking partner for more than 300 Web3 enterprises in Hong Kong and the majority of local licensed virtual asset trading platforms during the period. In 2025, the Stablecoins Bill was passed and the Stablecoins Ordinance took effect, marking a new milestone in Hong Kong's crypto asset regulation. ZA Bank, as the first local digital bank to provide dedicated "reserve banking services" for stablecoin sandbox issuers, has deepened its cooperation with various institutions, enhanced its custody service for reserve assets, and proactively sought opportunities to become a sales partner for regulated stablecoins, thereby promoting the compliant implementation of stablecoins and leading a new era of digital assets.

PROPERTY RENTAL

For the six months ended 30 June 2025, total rental income amounted to HK\$190.5 million, representing an increase of 137.1% as compared to the same period of last year. The significant increase in revenue was mainly attributable to the consolidation of revenue from the business combination which was completed in December 2024.

The aforesaid rental income was mainly contributed by our commercial property portfolio, composed of *The Vi City*, *Sinolink Garden Phase One to Four*, *Sinolink Tower* and *Rockbund*.

Sinolink Tower

Located in the Louhu district in Shenzhen, *Sinolink Tower*, composed of the hotel and office complex of *Sinolink Garden Phase Five*, has a total gross floor area ("**GFA**") of approximately 50,000 square metres, of which hotel space occupies 30,000 square metres and office space occupies 20,000 square metres.

For the six months ended 30 June 2025, the occupancy rate of the office portion of *Sinolink Tower* was approximately 32%. Tenants are mainly engaged in jewellery, trading and real estate business.

O Hotel, the Group's first hotel that is dedicated to delivering a personalized experience, has 188 rooms and suites, a trendy restaurant, a specialty coffee shop, a premium fitness club and other facilities. During the period, the hotel continued to operate in a challenging business environment. In the post-COVID period, the occupancy rate was still at a low level. The management has adopted measures for more stringent cost control and better services to improve the overall performance of the hotel.

MANAGEMENT DISCUSSION AND ANALYSIS

Rockbund

Located in the Bund in Shanghai, *Rockbund* is an integrated property project which has a total site area of approximately 18,000 square metres with a GFA of approximately 105,000 square metres, and comprises of the repairs and operation of heritage buildings, and the construction of some new structures. The Group has proceeded to redevelop the historical site and structures into an upscale mixed-use neighborhood with residential, commercial, retail, food and beverages, offices and cultural facilities. The preserved heritage buildings have already commenced operation and have been leased out. The entire project had commenced operations gradually since the completion of the construction in 2023.

On 30 April 2024, Shanghai Bund de Rockefeller Group Master Development Co., Ltd., ("**SHRGMD**") a subsidiary (as at 30 June 2024: an associated company) of the Group and is principally engaged in the development of *Rockbund*, entered into a Sales and Purchase Agreement with ZhongAn Online (the "**Buyer**"). Pursuant to the agreement, SHRGMD agreed to sell two properties located in the Rockbund project area, with a total GFA of 15,943.98 square metres, for a total consideration of RMB1,436.6 million.

The sale of the first property was completed during the year ended 31 December 2024. The remaining property was subsequently classified as "assets classified as held for sale" in the consolidated statement of financial position as at 31 December 2024.

During the six months ended 30 June 2025, the transaction for the sale of the remaining property was progressing. The Group expects the completion of the sale to take place in the second half of 2025, and the property continued to be carried as "assets classified as held for sale" as at 30 June 2025.

COMPLETED PROPERTIES HELD FOR SALE

As at 30 June 2025, the Group has the following completed properties held for sale:

Ningguo Mansions

Located in the Changnin District of Shanghai, *Ningguo Mansions* is a residential project with a total site area of 13,600 square metres and a plot ratio of 1.0, developed into 11 quadrangle courtyards boasting a fusion of Chinese and Western cultures, each with a GFA of 1,000 to 1,500 square metres. David Chipperfield Architects, a British architecture design company, is in charge of the construction, decoration and design of the project. Situated in one of the most accessible, low-density and tranquil luxury neighborhoods in Shanghai, *Ningguo Mansions* is approximately 10-minute and 30-minute ride away from the airport and the downtown respectively.

The project has 4 luxuriously decorated and 7 bare shells quadrangle courtyard properties that showcase a fusion of Chinese and Western cultures, and are now being gradually launched to the market in response to changing market conditions.

MANAGEMENT DISCUSSION AND ANALYSIS

OTHER BUSINESSES

Other businesses within the Group include property, facility and project management services. For the six months ended 30 June 2025, the Group recorded a revenue of HK\$91.4 million from other businesses, representing an increase of 2.0% as compared to the same period of last year.

SIGNIFICANT INVESTMENT

As at 30 June 2025, total equity instruments at fair value through other comprehensive income amounted to HK\$1,541.1 million (31 December 2024: HK\$1,024.6 million), mainly representing that of ZhongAn Online owned by the Group of approximately HK\$1,479.1 million (31 December 2024: HK\$950.9 million), which was measured at fair value at the end of this reporting period. As at 30 June 2025, the significant investment of the Group is as follows:

			Unrealised fair value (loss)/gain recognised in other comprehensive income for six months ended 30 June 2025	Realised fair value (loss)/gain recognised in other comprehensive income for the six months ended 30 June 2025	Dividends received for the six months ended 30 June 2025	Approximate percentage of the Group's total assets as at 30 June 2025	Cost of investment	Market value as at 30 June 2025
Number of shares held as at 30 June 2025	Percentage of shareholding as at 30 June 2025	comprehensive income for six months ended 30 June 2025	30 June 2025	30 June 2025	30 June 2025	30 June 2025	30 June 2025	30 June 2025
	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000

Hong Kong listed shares

- ZhongAn Online

(Stock code: 6060)

81,000,000	5.51	508,504	—	—	7.50	92,000	1,479,060
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ZhongAn Online is an online Insurtech company, incorporated in the PRC with limited liability and is a joint stock company engaged in FinTech business, which provides internet insurance services, insurance information technology services and online banking services to customers.

The performance and prospects of the Group's significant investment during the year are detailed below:

During the six months ended 30 June 2025, the gross written premiums of ZhongAn Online was approximately RMB16,661 million, representing an increase of approximately 9.3% for the corresponding period in 2024; the net profit attributable to owners of the parent company was approximately RMB668 million, as compared to RMB55 million for the corresponding period in 2024.

Of all the industries, we consider that the FinTech industry has the greatest development potential. FinTech has experienced rapid development over the past several years, and this technology is continuously being applied to various financial service scenarios, which not only increases the efficiency of the financial service industry, but also provides the general public with more products and service options.

MANAGEMENT DISCUSSION AND ANALYSIS

CONVERTIBLE BONDS

In addition to the information disclosed in the section headed “CONVERTIBLE BONDS AND USE OF PROCEEDS” in the 2024 Annual Report, the Board would like to provide additional information pursuant to paragraphs 11(8)(b) of Appendix D2 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), in particular, in relation to the use of net proceeds as follows:

As of 30 June 2025, the intended use and actual use of the net proceeds from the Convertible Bonds, as well as the unutilised net proceeds therefrom are as follows:

	Intended use of net proceeds from the Convertible Bonds HK\$'million	Utilised amount during the year ended 31 December 2024 HK\$'million	Unutilised net proceeds as at 30 June 2025 HK\$'million
Business development of the Group	119.00	—	119.00
Partial repayment of outstanding bank loans	59.50	59.50	—
General working capital	19.84	19.84	—
Total	<u>198.34</u>	<u>79.34</u>	<u>119.00</u>

At the date of this report, the Group is still seeking new investment opportunities for business development and expect to utilise the net proceeds by March of 2026, the actual use of net proceeds will be based on the ongoing negotiations and investment appraisals.

PROSPECTS

Looking ahead to the second half of 2025 and beyond, we anticipate the global economic environment will continue to improve, albeit slowly. The cycle of interest rate cuts in developed economies is expected to continue, which should provide a more favourable external environment for capital flows and investment sentiment. For China, we expect macroeconomic policy support to be further strengthened, with a strategic focus on stimulating domestic demand and deepening industrial upgrading.

Within this broad outlook, we foresee distinct and exciting development trajectories for the FinTech, Web3, and digital asset markets. In Mainland China, a key development will be the deeper integration of the e-CNY into core economic activities. We expect to see wider adoption of its smart contract capabilities, which could fundamentally transform transaction processes in key sectors such as real estate and asset financing. Hong Kong, in contrast, is poised to solidify its position as a leading digital asset hub. In the second half of 2025 and into 2026, we expect to witness the implementation of the regulatory framework for stablecoins and see tokenisation of Real-World Assets’s (“**RWA**”) progress from pilot projects to initial commercial applications.

MANAGEMENT DISCUSSION AND ANALYSIS

The FinTech industry remains a cornerstone of the future global economy. We believe the structural shift towards a digital-native economy is an irreversible mega-trend. The rise of interconnected digital ecosystems, which re-architect the financial landscape, presents marvellous development prospects.

In navigating the future landscape, the Group will execute a clear and focused strategy. Our primary objective is to allocate capital and resources towards high-growth opportunities in the FinTech sector, while ensuring our traditional businesses provide stable support.

Our strategic priority will be the continued expansion of our FinTech business. Building on the capabilities of our strategic collaborations, we plan to dedicate resources to the research and development of innovative digital financial products, particularly in the fields of RWA and regulated cross-border payments. We will actively pursue commercial opportunities arising from Hong Kong's development as a Web3 hub and seek to establish a stronger foothold in this dynamic ecosystem. In addition, the Group is actively undertaking the preparatory work to upgrade the Type 9 (asset management) license of the SFC held by its wholly-owned subsidiary, AA Investment. The objective of this upgrade is to expand the Group's capabilities in this area, enabling AA Investment to manage portfolios with a dedicated focus on virtual assets, subject to the approval of the SFC. This strategic move will empower the Group to build a robust and scalable platform, positioning it to become a key player in the virtual asset management sector.

For our traditional businesses, the focus will be on resilience and value realisation. For our real estate portfolio, we will continue the strategy of marketing certain residential properties, aiming to monetize these assets at favourable valuations as market opportunities arise. For our financing services, we will maintain our prudent risk management framework while selectively exploring new, low-risk opportunities.

By focusing our growth efforts on the promising FinTech sector while prudently managing our core businesses, we believe this balanced approach will enable the Group to navigate market cycles effectively and build sustainable, long-term value for our shareholders.

FINANCIAL REVIEW

As disclosed in the announcement of the Company dated 20 December 2024, the Group completed a business combination in December 2024. The Group's results for the six months ended 30 June 2025 therefore fully consolidated the performance of the acquired business. As such, the operating and financial results for the two periods are not directly comparable, and any year-on-year comparisons should be read in this context.

During the six months ended 30 June 2025, total revenue of the Group was HK\$289.3 million (six months ended 30 June 2024: HK\$179.8 million), increasing by 60.9% as compared to the same period of last year. The significant increase in revenue was mainly attributable to the consolidation of revenue from the business combination as mentioned above.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group recorded an other income of approximately HK\$24.0 million for the six months ended 30 June 2025 (six months ended 30 June 2024: HK\$49.2 million). The other income for the period was mainly contributed from the bank interest income from bank deposits and pledged bank deposits and dividends from financial assets at fair value through profit or loss.

The total operating costs (including cost of sales, selling and administrative expenses) for the six months ended 30 June 2025 was approximately HK\$211.0 million (six months ended 30 June 2024: total operating costs of HK\$123.3 million), representing an increase of approximately 71.1%. This was due to the consolidation of operating costs from the business combination as mentioned above.

The Group recorded an impairment loss on financial assets of approximately HK\$2.5 million for the six months ended 30 June 2025 (six months ended 30 June 2024: HK\$2.2 million), as a higher loss rate was used due to the uncertainty macro-economic environment as at 30 June 2025.

The Group recorded a fair value gain of the investment properties of approximately HK\$3.5 million for the six months ended 30 June 2025 (six months ended 30 June 2024: a fair value loss of HK\$76.9 million), mainly contributed by the capital appreciation of our commercial property portfolio and car parks located in the PRC for rental.

The Group recognised finance costs of approximately HK\$52.9 million for the six months ended 30 June 2025 (six months ended 30 June 2024: HK\$49.6 million). The increase was mainly due to the additional bank borrowings from the business combination as mentioned above, the effect of which was partially offset by a decrease in interest expenses resulting from decrease in interest rates during the period.

The Group recorded loss attributable to the owners of the Company of HK\$507.1 million during the six months ended 30 June 2025, compared to approximately HK\$150.5 million for the six months ended 30 June 2024. This was mainly due to the various factors outlined above and the net effects of the following factors:

- (i) a fair value loss of approximately HK\$497.9 million on the convertible bonds of the Company (six months ended 30 June 2024: nil);
- (ii) a turnaround from a fair value loss to a fair value gain on investment properties. The Group recorded a fair value gain on investment properties of approximately HK\$3.5 million for the six months ended 30 June 2025 (six months ended 30 June 2024: a fair value loss of HK\$76.9 million);
- (iii) an increase in net other losses by approximately HK\$3.9 million as a result of net exchange losses arising from the depreciation of RMB during the period;
- (iv) a turnaround from a fair value loss to a fair value gain on other financial assets at fair value through profit or loss ("**FVTPL**"). The Group recorded a fair value gain on other financial assets at FVTPL of approximately HK\$17.8 million for the six months ended 30 June 2025 (six months ended 30 June 2024: a fair value loss of HK\$38.7 million);

MANAGEMENT DISCUSSION AND ANALYSIS

- (v) a decrease in share of loss of investments accounted for using the equity method by approximately HK\$67.5 million due to the completion of business combination in December 2024 as mentioned above. The share of loss for the six months ended 30 June 2025 was approximately HK\$9.0 million (six months ended 30 June 2024: HK\$76.5 million);
- (vi) a gain on dilution of investments accounted for using the equity method of nil (six months ended 30 June 2024: HK\$56.4 million); and
- (vii) a fair value loss on loan receivable from associates at FVTPL and amounts due from associates at FVTPL of nil (six months ended 30 June 2024: HK\$28.9 million).

The Group's total borrowings was HK\$4,568.4 million as at 30 June 2025 (31 December 2024: HK\$2,756.9 million). The borrowings of the Group are denominated in RMB and are interested at floating rate. The Group's borrowings are denominated as follows:

	30 June 2025	31 December 2024
	<i>HK\$'million</i>	<i>HK\$'million</i>
	<i>(unaudited)</i>	<i>(audited)</i>
RMB	<u>4,568.4</u>	<u>2,756.9</u>

They were due for repayment within the following periods:

	30 June 2025	31 December 2024
	<i>HK\$'million</i>	<i>HK\$'million</i>
	<i>(unaudited)</i>	<i>(audited)</i>
Within 1 year	2,210.1	485.2
Within 1 year, which contain a repayment on demand clause	265.3	540.0
After 1 year but within 2 years	69.7	102.6
After 2 years but within 5 years	302.1	359.0
After 5 years	<u>1,721.2</u>	<u>1,270.1</u>
Total	<u>4,568.4</u>	<u>2,756.9</u>

The management of the Group will continue to evaluate and closely monitor the borrowing portfolio and interest rate risks of the Group, and may consider taking appropriate measures to hedge material interest rate risks when necessary.

MANAGEMENT DISCUSSION AND ANALYSIS

CHARGE OF ASSETS

As at 30 June 2025, property, plant and equipment of HK\$175.3 million (31 December 2024: HK\$179.0 million), investment properties of HK\$4,602.0 million (31 December 2024: HK\$4,574.3 million), completed properties held for sale of HK\$2,163.8 million (31 December 2024: HK\$2,102.5 million), assets classified as held for sale of HK\$915.0 million (31 December 2024: HK\$911.3 million), bank deposits of HK\$118.9 million (31 December 2024: HK\$710.6 million) and trade receivables of HK\$8.2 million (31 December 2024: HK\$6.0 million) were pledged to banks to secure general banking facilities granted to the Group.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, the Group's gearing ratio, calculated on the basis of total borrowings over shareholders' equity, was 53.9% as compared with 25.6% as at 31 December 2024. The increase in the gearing ratio as at the end of the reporting period was primarily due to a temporary increase in both cash and borrowings on the balance sheet. Specifically, the Group has drawn down a new syndicated loan on 30 June 2025 in part to repay an existing loan. Due to banking settlement logistics, the repayment of the existing bank borrowings of approximately RMB1,981.9 million (equivalent to approximately HK\$2,173.1 million) was completed on the next business day, 1 July 2025. To provide a more representative view of the Group's ongoing leverage, the adjusted gearing ratio, presented as if the repayment had occurred on 30 June 2025, was 31.7%. Despite the temporary fluctuation, the Group remained financially strong.

The Group's cash and bank balances (including bank deposits, pledged bank deposits, restricted cash, and cash and cash equivalents) amounted to HK\$4,234.4 million as at 30 June 2025 (31 December 2024: HK\$1,743.8 million), mostly denominated in RMB, HK\$ and USD. As at 30 June 2025, the Group has undrawn borrowing facilities of HK\$968.7 million (31 December 2024: HK\$718.6 million).

The Group funds its operations and capital commitments by internal resources, bank and other borrowings and can be further funded by the potential undrawn borrowing facilities.

We have continued to maintain a healthy and sound financial position and have followed a set of funding and treasury policies to manage our capital resources and mitigate potential risks involved.

MANAGEMENT DISCUSSION AND ANALYSIS

FOREIGN EXCHANGE EXPOSURE

Majority of the subsidiaries of the Group operate in the PRC with most of the transactions in relation to operations are denominated and settled in RMB. Fluctuations of RMB exchange rates would impact the Group's net asset value in the preparation of the Group's consolidated accounts. If RMB appreciates/depreciates against HK\$, the Group would record a(n) increase/decrease in the Group's net asset value. During the six months ended 30 June 2025, in respect of the Group's exposure to potential foreign exchange risks arising from the currency exchange rate fluctuations, it did not make any arrangement or use any financial instruments to hedge against potential foreign exchange risks. However, the management will continue to monitor foreign exchange risks and adopt hedging measures where necessary.

CAPITAL COMMITMENTS

As at 30 June 2025, the Group had commitments of HK\$41.9 million (31 December 2024: HK\$52.4 million) in respect of properties under development.

CONTINGENT LIABILITIES

As at 30 June 2025, guarantees offered to banks as security for the mortgage loans arranged for the Group's property buyers amounted to HK\$1.6 million (31 December 2024: HK\$2.7 million).

EVENTS AFTER THE REPORTING PERIOD

(a) Change of Company Name

Pursuant to a special resolution passed by the shareholders of the Company on 18 August 2025, the issuance of a Certificate of Change of Name by the Registrar of Companies in the Bermuda on 18 August 2025 and the issuance of a Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company by the Registrar of Companies in Hong Kong on 27 August 2025, the English name of the Company was changed from "SINOLINK WORLDWIDE HOLDINGS LIMITED" to "Z Fin Limited" and the Chinese name "百仕達控股有限公司" was no longer used for identification purpose after the Change of Company Name becomes effective.

The Board believes that the new name will more accurately convey the Group's corporate image and identity. Furthermore, it will clearly reflect the Group's strategic positioning of focusing on the FinTech sector and exploring applications for digital assets. This change is expected to enhance the Company's brand recognition and market influence in the FinTech sector, thereby benefiting its overall business development. Therefore, the Board considers that the change of company name is in the best interests of the Company and its shareholders as a whole.

MANAGEMENT DISCUSSION AND ANALYSIS

(b) Conversion of Convertible Bonds by Controlling Shareholder

On 25 July 2025, 117,647,058 shares were allotted and issued to Asia Pacific Promotion Limited (the nominee of Mr. Ou Yaping, the Subscriber) under the conversion rights attached to the three-year zero coupon convertible bonds with the principal amount of HK\$200,000,000 (the **"Convertible Bonds"**) at the adjusted conversion price of HK\$1.70 per conversion share (the **"Conversion"**).

The Board is of the view that the Conversion resulted in the full cancellation of the Convertible Bonds. As at 30 June 2025, the carrying value of the Convertible Bonds was approximately HK\$697,647,000 (31 December 2024: HK\$199,719,000). Accordingly, the Conversion will reduce the Group's total liabilities and enlarge the Company's equity base, thereby strengthening the Group's balance sheet and improving its net asset position. This is expected to enhance the Group's overall financial position and allow for improved cash flow management. With a more solid capital structure, the Group will be better positioned to allocate financial resources towards future business development and strategic initiatives.

The Board wishes to highlight that a non-adjusting event had been occurred after the reporting period ended 30 June 2025. The Conversion will result in the recognition of a non-cash accounting adjustment in the Group's annual results for the year ending 31 December 2025, reflecting a further loss of approximately HK\$476.5 million which is attributable to the application of and compliance with the relevant accounting standards. The Board wishes to emphasise that this further loss will be reflected in the annual results for the year ending 31 December 2025 as a one-off, non-cash, and non-operational accounting charge and is non-operational. There will be no impact on the Group's cash position or its ongoing business activities.

(c) Repayment of a significant amount of the existing bank borrowings

On 30 June 2025, the Group drew down a new syndicated loan in part to repay the existing loan. Due to banking settlement logistics, the repayment of the existing bank borrowings of approximately RMB1,981.9 million (equivalent to approximately HK\$2,173.1 million) using these proceeds was completed on the next business day, 1 July 2025. To provide a more representative view of the Group's bank borrowings and cash position, the total bank borrowings (including current portion and non-current portion) would have been HK\$2,395,303,000 and the restricted cash would have been nil as if the repayment had occurred on 30 June 2025.

(d) Winding up of the Shenzhen Luohu Sinolink Primary School (the "School")

On 31 July 2025, Sinolink Properties Limited, an indirect 80% owned subsidiary, and Shenzhen Luohu District Education Bureau (深圳市羅湖區教育局) (the **"Education Bureau"**) entered into a transfer agreement that Sinolink Properties Limited has agreed to transfer the asset and liabilities of the School to Education Bureau at nil consideration. The relevant financial impact will be reflected in the consolidated financial statements of the Group for the year ending 31 December 2025, and details of the assets and liabilities classified as held for sale are set out in the relevant notes.

MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

In order to retain resources for the Group's business development, the Board does not declare an interim dividend for the six months ended 30 June 2025 (2024: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group employed approximately 697 full-time employees for its principal activities. The Group recognises the importance of high caliber and competent staff and continues to provide remuneration packages to employees with reference to prevailing market practices and individual performance. Other various benefits, such as medical and retirement benefits, are also provided. In addition, share options may be granted to eligible employees of the Group in accordance with the terms of the share option scheme adopted by the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

There was no purchase, sale or redemption of the Company's listed shares (including any treasury shares as defined under the Listing Rules) by the Company or any of its subsidiaries for the six months ended 30 June 2025.

CORPORATE GOVERNANCE

During the period, the Company has complied with the code provisions in force as set out in the Corporate Governance Code in Appendix C1 of the Listing Rules save as disclosed below.

Pursuant to code provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the period, Mr. Tang Yui Man Francis has undertaken both the roles of the Chairman of the Board and the Chief Executive Officer of the Group. Having considered the current business operation and the size of the Group, the Board is of the view that Mr. Tang Yui Man Francis acting as both the Chairman and the Chief Executive Officer is acceptable and in the best interest of the Group. There are adequate balance of power and safeguards in place. The Board has reviewed and monitor this situation periodically and ensures that the present structure would not impair the balance of power of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that in respect of the six months ended 30 June 2025, all Directors have complied with the required standard set out in the Model Code.

MANAGEMENT DISCUSSION AND ANALYSIS

AUDIT COMMITTEE

The Company has an audit committee (the “**Audit Committee**”) which was established in accordance with the requirements of the Listing Rules for the purposes of reviewing and providing supervision over the Group’s financial reporting processes and internal controls. The Audit Committee comprises three independent non-executive directors, namely Ms. Chen Hui, Mr. Tian Jin and Mr. Xin Luo Lin. The Audit Committee meets regularly with the Company’s senior management and the Company’s auditor to consider the Company’s financial reporting process, the effectiveness of internal controls, the audit process and risk management.

The Audit Committee has reviewed and discussed the unaudited interim condensed consolidated financial information for the six months ended 30 June 2025 which have been prepared in accordance with applicable standards, the Listing Rules and the statutory provisions and sufficient disclosure have been made. In addition, the Company’s external auditor, PricewaterhouseCoopers, has performed an independent review of the Group’s unaudited interim condensed consolidated financial information for the six months ended 30 June 2025 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our gratitude to all staff for their devoted efforts and hard work.

By Order of the Board
Z Fin Limited
TANG Yui Man Francis
Chairman and Chief Executive Officer

Hong Kong, 29 August 2025

OTHER INFORMATION

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 June 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were required pursuant to: (a) divisions 7 to 9 of Part XV of the SFO, to be notified to the Company and the Stock Exchange; (b) Section 352 of Part XV of the SFO, to be entered in the register referred to therein; or (c) the Model Code, to be notified to the Company and the Stock Exchange were as follows:

Long positions in shares or underlying shares of the Company

Name of Directors	Capacity	Interest in shares			Total interest in shares	Interest in underlying shares pursuant to share options	Aggregate interest	Approximate percentage of the issued shares of the Company as at 30.6.2025
		Personal interest	Corporate interest	Family interest				
Tang Yui Man Francis	Beneficial owner	1,068,750	—	—	1,068,750	—	1,068,750	0.33%

Details of the share options granted to certain Directors are set out in the below section headed “Directors’ Rights to Acquire Shares or Debentures of the Company and Associated Corporation”.

Save as disclosed above, as at 30 June 2025, none of the Directors or chief executive of the Company had, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation or any interests which are required to be entered into the register kept by the Company pursuant to Section 352 of the SFO.

OTHER INFORMATION

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATION

Pursuant to the Company's share option scheme adopted in 2012, the Company had granted to certain Directors of the Company options to subscribe for the shares of the Company, details of which as at 30 June 2025 were as follows:

Name of Directors	Date of grant	Exercise period	Exercise price HK\$	Number of shares subject to outstanding options as at 1.1.2025	Number of shares subject to outstanding options as at 30.6.2025	Approximate percentage of the issued shares of the Company as at 30.6.2025
Tang Yui Man Francis	15.05.2015	15.11.2015-14.05.2025	1.185	20,230,000	—	0%
		15.05.2016-14.05.2025	1.185	20,230,000	—	0%
Tian Jin	15.05.2015	15.11.2015-14.05.2025	1.185	1,156,000	—	0%
		15.05.2016-14.05.2025	1.185	1,156,000	—	0%
Xin Luo Lin	15.05.2015	15.11.2015-14.05.2025	1.185	1,156,000	—	0%
		15.05.2016-14.05.2025	1.185	1,156,000	—	0%

Notes:

1. The vesting period of the share options is from the date of grant until the commencement of the exercise period.
2. These options represent personal interest held by the Directors as beneficial owners.
3. These options were lapsed on 14 May 2025.

Other than the share option scheme of the Company mentioned below, at no time during the period was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the Directors nor the chief executive of the Company, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

DISCLOSURE OF CHANGE OF DIRECTORS' INFORMATION

As at the date of this interim report, the Company is not aware of any other change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

OTHER INFORMATION

SHARE OPTION SCHEMES OF THE COMPANY

(A) 2012 Share Option Scheme

A share option scheme was adopted by shareholders of the Company on 17 May 2012 (the “**2012 Share Option Scheme**”), under which the Board might, at its discretion, offer any employees of the Group or any directors of the Company or any of its subsidiaries options to subscribe for shares of the Company subject to the terms and conditions stipulated therein. The 2012 Share Option Scheme had a life of 10 years from the date of its adoption and was expired on 16 May 2022. No further options should thereafter be offered under the 2012 Share Option Scheme, and all outstanding options under the 2012 Share Option Scheme expired on 14 May 2025.

The following table discloses movements in the Company’s share options granted under the 2012 Share Option Scheme during the period:

	Option types	Outstanding at 1.1.2025	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 30.6.2025
<i>Category 1: Directors</i>						
Tang Yui Man Francis	2015A Option	40,460,000	-	-	(40,460,000)	-
Tian Jin	2015A Option	2,312,000	-	-	(2,312,000)	-
Xin Luo Lin	2015A Option	2,312,000	-	-	(2,312,000)	-
Total for Directors		45,084,000	-	-	(45,084,000)	-
<i>Category 2: Employees</i>						
	2015A Option	43,928,000	-	-	(43,928,000)	-
	2015B Option	25,432,000	-	-	(25,432,000)	-
Total for employees		69,360,000	-	-	(69,360,000)	-
All categories		114,444,000	-	-	(114,444,000)	-

Notes:

- Details of specific categories of options are as follows:

Option type	Date of grant	Exercise period	Exercise price HK\$
2015A Option	15.05.2015	15.11.2015-14.05.2025	1.185
	15.05.2015	15.05.2016-14.05.2025	1.185
2015B Option	15.05.2015	15.11.2015-14.05.2025	1.185
	15.05.2015	15.05.2016-14.05.2025	1.185
	15.05.2015	15.11.2016-14.05.2025	1.185

OTHER INFORMATION

- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- Save as disclosed in the above table, no options were granted, exercised or cancelled under the 2012 Share Option Scheme during the period.

(B) 2022 Share Option Scheme

A new share option scheme was adopted by shareholders of the Company at the annual general meeting on 31 May 2022 (the “**2022 Share Option Scheme**”), under which the Board may, at its discretion, offer any employees of the Group or any directors of the Company or its subsidiaries options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2022 Share Option Scheme has a life of 10 years from 31 May 2022 and no options were granted since the date of its adoption.

The number of share options available for grant under the scheme mandate of the 2022 Share Option Scheme as at 1 January 2025 and 30 June 2025 were 637,400,309 shares and 31,870,015 shares (after Share Consolidation (as referred to note 24(b) to the Interim Condensed Consolidated Financial Information)) (representing 10% of the issued shares of the Company as at the said dates).

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

At 30 June 2025, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of Directors, the following shareholder(s) had notified the Company of relevant interests and short positions in the issued shares of the Company:

Long Positions in Shares or Underlying Shares of the Company

Name of shareholder	Capacity/Nature of Interest	Interest in Shares	Interest in Underlying Shares	Total Interests	Approximate percentage of the Company's issued shares at 30.6.2025
Asia Pacific Promotion Limited (“ Asia Pacific ”)	Beneficial owner/Beneficial interest	163,615,464	117,647,058	281,262,522 (Note 1)	88.25%
Cheung Loi Ping	Interest held jointly with another person and Interest of spouse/ Family interest	164,271,150	117,647,058	281,918,208 (Note 2)	88.46%
Ou Yaping	Beneficial owner, Interest held jointly with another person and interest of controlled corporations/Personal interest, family interest and corporate interest	164,271,150	117,647,058	281,918,208 (Notes 1 & 2)	88.46%

OTHER INFORMATION

Notes:

1. These 163,615,464 shares of the Company and 117,647,058 underlying shares (representing unlisted derivatives under convertible instruments) are held by Asia Pacific, a company incorporated in the British Virgin Islands, which is wholly-owned by Mr. Ou Yaping (“**Mr. Ou**”). Accordingly, Mr. Ou is deemed to be interested in these shares and underlying shares of the Company held by Asia Pacific under the SFO. Such interest in underlying shares (being unlisted derivatives under convertible instruments) represent 117,647,058 shares to be issued to Asia Pacific in full of the conversion right attached to convertible bonds due in 2027 in principal amount of HK\$200 million at adjusted conversion price of HK\$1.70 per share issued by the Company pursuant to subscription agreement dated 30 April 2024 (as amended and supplemented on 31 May 2024).
2. These 281,918,208 shares of the Company represent the aggregate of (i) 655,686 shares of the Company held jointly by Mr. Ou and Ms. Cheung Loi Ping, spouse of Mr. Ou; and (ii) 117,647,058 underlying shares and 163,615,464 shares of the Company held by Asia Pacific directly as referred to note 1 above. Ms. Cheung Loi Ping is deemed to be interested in all these shares and underlying shares of the Company under the SFO.

Save as disclosed above, as at 30 June 2025, the Company has not been notified of any other interests or short positions in the shares or underlying shares of the Company which had been recorded in the register required to be kept under Section 336 of the SFO.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



羅兵咸永道

To the Board of Directors of Z Fin Limited (formerly known as “Sinolink Worldwide Holdings Limited”)

(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 29 to 72, which comprises the interim condensed consolidated statement of financial position of Z Fin Limited (formerly known as “Sinolink Worldwide Holdings Limited”) (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2025 and the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

CONCLUSION

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 29 August 2025

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Six months ended	
	<i>Notes</i>	30 June 2025	30 June 2024
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Revenue			
Interest income		7,341	9,842
Rental income		190,506	80,338
Revenue from contracts with customers		91,444	89,650
Total revenue	6	289,291	179,830
Cost of services		(86,096)	(67,279)
Gross profit		203,195	112,551
Other income	7	23,986	49,175
Selling expenses		(9,644)	(697)
Administrative expenses		(115,290)	(55,319)
Other losses, net	7	(3,850)	(31,334)
Fair value changes on investment properties	14	3,525	(76,944)
Net impairment loss on financial assets		(2,528)	(2,180)
Fair value gains/(losses) on other financial assets			
at fair value through profit or loss ("FVTPL")		17,815	(38,745)
Fair value loss on loan receivable from associates		—	(28,925)
at FVTPL and amounts due from associates at FVTPL		(497,928)	—
Fair value loss on convertible bonds	26	(497,928)	—
Gain on dilution of investments			
accounted for using the equity method	15	—	56,379
Share of results of investments			
accounted for using the equity method		(8,954)	(76,457)
Finance costs	8	(52,860)	(49,582)
Loss before income tax		(442,533)	(142,078)
Income tax expense	9	(53,322)	(9,043)
Loss for the period		(495,855)	(151,121)
Attributable to:			
Owners of the Company		(507,105)	(150,515)
Non-controlling interests		11,250	(606)
		(495,855)	(151,121)
		HK\$	HK\$
		(unaudited)	(unaudited)
Loss per share for loss attributable to owners of the Company			
– Basic and diluted	12	(1.59)	(0.47)

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended	
	30 June 2025	30 June 2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss for the period	<u>(495,855)</u>	<u>(151,121)</u>
Other comprehensive income/(loss)		
<i>Item that will be subsequently reclassified to profit or loss:</i>		
Share of exchange differences on translation from functional currency to presentation currency of investments accounted for using the equity method	2,462	(3,527)
<i>Items that will not be reclassified to profit or loss:</i>		
Exchange differences on translation from functional currency to presentation currency	82,450	(38,766)
Fair value gains/(losses) on equity instruments at fair value through other comprehensive income ("FVTOCI"), net of tax	371,665	(264,747)
Share of fair value gains on equity instruments at FVTOCI of investments accounted for using the equity method, net of tax	<u>24,041</u>	<u>32,307</u>
Other comprehensive income/(loss) for the period, net of tax	<u>480,618</u>	<u>(274,733)</u>
Total comprehensive loss for the period	<u>(15,237)</u>	<u>(425,854)</u>
Total comprehensive (loss)/income attributable to:		
Owners of the Company	(115,200)	(367,049)
Non-controlling interests	<u>99,963</u>	<u>(58,805)</u>
	<u>(15,237)</u>	<u>(425,854)</u>

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		As at	
	Notes	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	13	369,839	385,560
Investment properties	14	6,343,321	6,290,164
Investments accounted for using the equity method	15	2,293,561	2,265,518
Equity instruments at FVTOCI	19	1,541,057	1,024,565
Loan receivables	16	1,246	1,079
Other financial assets at FVTPL	20	290,856	274,754
Pledged bank deposits		2,741	113,931
Bank deposits		73,465	56,156
Other receivables	18	185,886	230,937
Deferred tax assets	23	17,632	16,886
		11,119,604	10,659,550
Current assets			
Stock of properties	17	3,043,756	2,956,253
Trade and other receivables, deposits and prepayments	18	137,945	150,784
Loan receivables	16	301,920	328,684
Other financial assets at FVTPL	20	14,579	10,830
Pledged bank deposits		180,811	596,652
Bank deposits		374,562	362,852
Restricted cash		2,138,158	—
Cash and cash equivalents		1,464,670	614,218
Current assets excluding assets classified as held for sale		7,656,401	5,020,273
Assets classified as held for sale	22	934,704	911,265
		8,591,105	5,931,538

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		As at	
	Notes	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Current liabilities			
Trade payables, deposits received and accrued charges	21	1,763,356	952,571
Contract liabilities		11,438	17,724
Income tax payable		751,397	831,087
Bank borrowings and other financial liabilities	25	2,475,463	1,025,140
Convertible bonds	26	697,647	199,719
Lease liabilities		1,358	1,629
Current liabilities excluding liabilities classified as held for sale		5,700,659	3,027,870
Liabilities classified as held for sale	22	24,527	—
		5,725,186	3,027,870
Net current assets		2,865,919	2,903,668
Total assets less current liabilities		13,985,523	13,563,218
Non-current liabilities			
Lease liabilities		2,558	4,002
Deferred tax liabilities	23	1,189,777	1,051,369
Bank borrowings and other financial liabilities	25	2,092,980	1,731,718
		3,285,315	2,787,089
Net assets		10,700,208	10,776,129
Capital and reserves			
Share capital	24	63,740	63,740
Reserves		9,700,882	9,807,276
Equity attributable to owners of the Company		9,764,622	9,871,016
Non-controlling interests		935,586	905,113
Total equity		10,700,208	10,776,129

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

The interim condensed consolidated financial information on pages 29 to 72 were approved by the Board of Directors of the Company on 29 August 2025 and were signed on its behalf.

TANG Yui Man Francis
Executive Director

OU Jin Yi Hugo
Non-Executive Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Attributable to owners of the Company									Non-controlling interests	Total
	Share capital	Share premium	Translation reserve	Share option reserve	General and other reserves	Contributed surplus	Investments revaluation reserve	Retained earnings	Sub-total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
					(Note)						
At 1 January 2025 (audited)	63,740	2,334,899	54,545	67,905	168,762	941,442	457,479	5,782,244	9,871,016	905,113	10,776,129
(Loss)/profit for the period	—	—	—	—	—	—	—	(507,105)	(507,105)	11,250	(495,855)
Other comprehensive income for the period	—	—	72,110	—	—	—	319,795	—	391,905	88,713	480,618
Total comprehensive income/(loss) for the period	—	—	72,110	—	—	—	319,795	(507,105)	(115,200)	99,963	(15,237)
<i>Transactions with owners in their capacity as owners:</i>											
Transfers	—	—	—	—	74	—	—	(74)	—	—	—
Share option lapsed	—	—	—	(67,905)	—	—	—	67,905	—	—	—
Dividend paid to non-controlling interests of subsidiaries	—	—	—	—	—	—	—	—	—	(69,490)	(69,490)
Share of a joint venture's reserves	—	—	—	—	8,806	—	—	—	8,806	—	8,806
At 30 June 2025 (unaudited)	<u>63,740</u>	<u>2,334,899</u>	<u>126,655</u>	<u>—</u>	<u>177,642</u>	<u>941,442</u>	<u>777,274</u>	<u>5,342,970</u>	<u>9,764,622</u>	<u>935,586</u>	<u>10,700,208</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Attributable to owners of the Company									Non-controlling interests	Total
	Share capital	Share premium	Translation reserve	Share option reserve	General and other reserves	Contributed surplus	Investments revaluation reserve	Retained earnings	Sub-total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
					(Note)						
At 1 January 2024 (audited)	637,400	2,334,899	147,946	79,300	151,002	367,782	699,558	1,802,240	6,220,127	1,262,017	7,482,144
Loss for the period	—	—	—	—	—	—	—	(150,515)	(150,515)	(606)	(151,121)
Other comprehensive loss for the period	—	—	(35,161)	—	—	—	(181,373)	—	(216,534)	(58,199)	(274,733)
Total comprehensive loss for the period	—	—	(35,161)	—	—	—	(181,373)	(150,515)	(367,049)	(58,805)	(425,854)
<i>Transactions with owners in their capacity as owners:</i>											
Transfers	—	—	—	—	146	—	—	(146)	—	—	—
Share option lapsed	—	—	—	(11,395)	—	—	—	11,395	—	—	—
Dividend paid to non-controlling interests of subsidiaries	—	—	—	—	—	—	—	—	—	(39,604)	(39,604)
Share of a joint venture's reserves	—	—	—	—	4,477	—	—	—	4,477	—	4,477
At 30 June 2024 (unaudited)	<u>637,400</u>	<u>2,334,899</u>	<u>112,785</u>	<u>67,905</u>	<u>155,625</u>	<u>367,782</u>	<u>518,185</u>	<u>1,662,974</u>	<u>5,857,555</u>	<u>1,163,608</u>	<u>7,021,163</u>

Note: General and other reserves mainly represent the enterprise expansion fund and general reserve fund set aside by certain subsidiaries in accordance with the relevant laws and regulations of the People's Republic of China (the "PRC"), which are not available for distribution.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended	
	30 June	30 June
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Cash flows from operating activities		
Cash (used in)/generated from operations	(45,274)	82,841
Income tax paid	(138,569)	(26,334)
Interest received from financing services business	4,139	4,862
Net cash (used in)/generated from operating activities	(179,704)	61,369
Cash flows from investing activities		
Interest income received	39,239	5,938
Dividend received	27,351	9,481
Placement of bank deposits	(292,763)	(22,002)
Withdrawal of bank deposits	338,847	88,559
Withdrawal of pledged bank deposits	460,109	—
Purchase of property, plant and equipment	(3,812)	(2,114)
Proceeds from disposal of property, plant and equipment	—	769
Proceeds from disposal of investment properties	915,057	—
Additions to investments accounted for using the equity method	(912)	—
Purchase of unlisted fund instrument at FVTOCI	—	(6,793)
Proceeds from disposals of equity instruments at FVTOCI	—	41,059
Proceeds from disposals of equity instruments at FVTPL	—	4,965
Proceeds from return of capital from equity instruments at FVTPL	1,388	—
Advance to associates	—	(6,320)
Net cash generated from investing activities	1,484,504	113,542

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended	
	30 June	30 June
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Cash flows from financing activities		
Proceeds of borrowings	2,110,979	1,322,883
Repayment of borrowings	(320,664)	(1,198,500)
Principal portion of lease liabilities	(728)	(860)
Interest portion of lease liabilities	(129)	(185)
Dividend paid to non-controlling interests of subsidiary	(69,490)	(39,604)
Interest paid	(50,717)	(57,659)
Net cash generated from financing activities	1,669,251	26,075
Net increase in cash and cash equivalents	2,974,051	200,986
Cash and cash equivalents at beginning of the period	614,218	512,602
Effect of foreign exchange rate changes on cash and cash equivalents	14,559	(3,514)
Cash and cash equivalents at end of the period	3,602,828	710,074
Cash and cash equivalents comprised of:		
Restricted cash	2,138,158	—
Cash and cash equivalents	1,464,670	710,074
	3,602,828	710,074

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Z Fin Limited (formerly known as “Sinolink Worldwide Holdings Limited”) (the “Company”) is a public limited company incorporated in Bermuda as an exempted company with its shares listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Pursuant to a special resolution passed by the shareholders of the Company on 18 August 2025, the issue of the Certificate of Change of Name by the Registry of Companies in Bermuda on 18 August 2025 and the issue of the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company by the Registrar of Companies in Hong Kong on 27 August 2025 confirming the registration of the new name of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the name of the Company was changed from “Sinolink Worldwide Holdings Limited” to “Z Fin Limited”.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are increasingly focused on financial technology (FinTech) investment and management, while it is also engaged in property development, property management, property investment and financial services.

The interim condensed consolidated financial information is presented in thousands of units of Hong Kong dollar (HK\$'000), unless otherwise stated. This interim condensed consolidated financial information has been approved by the Board on 29 August 2025.

The interim condensed consolidated financial information for the six months ended 30 June 2025 has not been audited.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

This interim condensed consolidated financial information does not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, this should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024.

3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the previous financial year and corresponding interim reporting period, except for the estimation of income tax and the adoption of new and amended standards as set out below. Taxes on income in the interim periods are accrued with tax rate that would be applicable to expected total annual earnings.

(a) Amended standard adopted by the Group

An amended standard became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting this standard.

Amendments to HKAS 21 Lack of Exchangeability

(b) Impact of standards issued but not yet applied by the Group

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for this reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

(a) Fair value hierarchy and valuation techniques used to determine fair values

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards.

The following table presents the Group's financial assets measured and recognised at fair value at 30 June 2025 and 31 December 2024 on a recurring basis:

	Fair value as at		Fair value hierarchy	Valuation techniques and key input(s)
	30 June 2025	31 December 2024		
	HK\$'000 (unaudited)	HK\$'000 (audited)		
Financial assets				
Equity securities of ZhongAn Online classified as equity instruments at FVTOCI	1,479,060	950,940	Level 1	Quoted bid prices in an active market
Unlisted fund investments classified as equity instruments at FVTOCI	58,709	67,884	Level 3	Fair value measurement basis conducted by fund managers (which is based on net asset value of fund (i.e. fair value of the portfolio included in the fund))
Unlisted equity securities classified as equity instruments at FVTOCI	3,288	5,741	Level 3	Fair value measurement basis conducted by independent professional valuer engaged by the management (which is based on net asset value of the entity (i.e. fair value of the portfolio included in the entity))

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

(a) Fair value hierarchy and valuation techniques used to determine fair values (Continued)

	Fair value as at		Fair value hierarchy	Valuation techniques and key input(s)
	30 June 2025	31 December 2024		
	HK\$'000	HK\$'000		
	(unaudited)	(audited)		
Financial assets (continued)				
Unlisted fund investments classified as financial assets at FVTPL	290,856	274,754	Level 3	Fair value measurement basis conducted by fund managers (which is based on net asset value of fund (i.e. fair value of the portfolio included in the fund))
Equity securities listed in Hong Kong, PRC and overseas classified as financial assets at FVTPL	14,579	10,830	Level 1	Quoted bid prices in active markets
Financial liabilities				
Convertible bonds	(697,647)	(199,719)	Level 2 (31 December 2024: level 3)	Fair value measurement basis conducted by independent professional valuer engaged by the management considering the conversion value (number of conversion shares times underlying stock price) of the convertible bonds (31 December 2024: Fair value measurement basis conducted by independent professional valuer engaged by the management using Binomial Option Pricing Model)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

(a) *Fair value hierarchy and valuation techniques used to determine fair values* (Continued)

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2025 (30 June 2024: same). As at 30 June 2025, the subscriber of the convertible bonds was able to convert the convertible bonds into ordinary shares of the Company, the fair value convertible bonds was measured at a conversion value considering number of conversion shares times underlying stock price, there was no unobservable input in the valuation, therefore the Group transferred the convertible bonds from level 3 to level 2.

- | | |
|----------|--|
| Level 1: | The fair value of financial instruments traded in active markets (e.g. publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. |
| Level 2: | The fair value of financial instruments that are not traded in an active market (e.g. over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. |
| Level 3: | If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and unlisted fund investments. |

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

4 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

(b) Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 instruments for the six months ended 30 June 2025 and 2024:

	Unlisted fund investments classified as financial assets at FVTPL HK\$'000	Loan receivable from an associate at FVTPL HK\$'000	Amounts due from associates at FVTPL HK\$'000	Unlisted fund investments and equity securities at FVTOCI HK\$'000	Convertible bonds HK\$'000	Total HK\$'000
At 1 January 2024 (audited)	335,586	—	—	82,777	—	418,363
Addition	—	—	—	6,793	—	6,793
Transfer into level 3	5,519	—	—	—	—	5,519
Advance to associates	—	—	6,320	—	—	6,320
Share of results of investments accounted for using the equity method	—	22,605	—	—	—	22,605
Currency realignment	(1,653)	—	—	(167)	—	(1,820)
Fair value change to profit or loss	(34,891)	(22,605)	(6,320)	—	—	(63,816)
Fair value change to other comprehensive income	—	—	—	(10,575)	—	(10,575)
At 30 June 2024 (unaudited)	<u>304,561</u>	<u>—</u>	<u>—</u>	<u>78,828</u>	<u>—</u>	<u>383,389</u>
At 1 January 2025 (audited)	274,754	—	—	73,625	(199,719)	148,660
Redemption	(1,388)	—	—	—	—	(1,388)
Transfer into level 2	—	—	—	—	199,719	199,719
Currency realignment	2,848	—	—	252	—	3,100
Fair value change to profit or loss	14,642	—	—	—	—	14,642
Fair value change to other comprehensive income	—	—	—	(11,880)	—	(11,880)
At 30 June 2025 (unaudited)	<u>290,856</u>	<u>—</u>	<u>—</u>	<u>61,997</u>	<u>—</u>	<u>352,853</u>

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the interim condensed consolidated statement of financial position approximate their fair values.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this interim condensed consolidated financial information, the critical accounting estimates and judgements applied were consistent with those described in the annual consolidated financial statements for the year ended 31 December 2024.

6 REVENUE AND SEGMENT INFORMATION

(a) Revenue

Revenue primarily represents revenue arising from property management fee income, rental income, interest income from financing services business and other service income, after deducting discounts and other sales related taxes. An analysis of the Group's revenue for the period is as follows:

	Six months ended	
	30 June	30 June
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Recognised over time under HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15"):		
– Property management fee income	66,537	56,829
– Others	24,907	32,821
Recognised under HKFRS 15	91,444	89,650
Recognised under other HKFRSs:		
– Rental income	190,506	80,338
– Interest income from financing services business	7,341	9,842
	289,291	179,830

All of the Group's revenue is generated from the PRC during the six months ended 30 June 2025 and 30 June 2024.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information

Management has determined the operating segments based on the internal reports reviewed by the Group's chief operating decision makers ("CODM"), being the executive director of the Company.

The Group is organised into the following operating segments in their internal reports:

Financing services: provision of efficient financial solutions and multiple consultancy services

Property investment: property leasing

Property management: provision of property management services

Property development: property development and sale of properties

Others: Income from operating hotel and primary school and provision of project management services

The CODM assess the performance of the operating segments based on a measure of segment result.

Segment result represents the profit/(loss) before income tax incurred by each segment without allocation of other income, unallocated corporate expenses, unallocated other losses, gain on dilution of investments accounted for using the equity method, share of results of investments accounted for using the equity method, fair value gain/(loss) on other financial assets at FVTPL, fair value loss on loan receivables from an associate and amounts due from associates at FVTPL, fair value loss on convertible bonds and unallocated finance costs.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June 2025 (unaudited)

	Financing services HK\$'000	Property investment HK\$'000	Property management HK\$'000	Property development HK\$'000	Others HK\$'000	Total HK\$'000
Revenue	7,341	190,506	66,537	—	24,907	289,291
Segment result	5,543	91,491	(3,603)	(2,994)	(23,886)	66,551
Other income						23,986
Unallocated corporate expenses						(31,530)
Unallocated other losses						(3,848)
Fair value gain on other financial assets at FVTPL						17,815
Fair value loss on convertible bonds						(497,928)
Share of results of investments accounted for using the equity method						(8,954)
Unallocated finance costs						(8,625)
Loss before income tax						(442,533)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

6 REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

Six months ended 30 June 2024 (unaudited)

	Financing services HK\$'000	Property investment HK\$'000	Property management HK\$'000	Property development HK\$'000	Others HK\$'000	Total HK\$'000
Revenue	9,842	80,338	56,829	—	32,821	179,830
Segment result	6,831	(5,870)	4,166	(926)	2,429	6,630
Other income						49,175
Unallocated corporate expenses						(29,294)
Unallocated other losses						(31,259)
Gain on dilution of investments accounted for using the equity method						56,379
Fair value loss on other financial assets at FVTPL						(38,745)
Fair value loss on loan receivable from an associate at FVTPL and amounts due from associates at FVTPL						(28,925)
Share of results of investments accounted for using the equity method						(76,457)
Unallocated finance costs						(49,582)
Loss before income tax						(142,078)

No analysis of the Group's assets and liabilities by reportable and operating segments is disclosed as it is not regularly provided to the CODM for review. There is no seasonality of the operation of the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

7 OTHER INCOME AND OTHER LOSSES, NET

	Six months ended	
	30 June	30 June
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Other income		
Dividends from financial assets at FVTPL	7,913	9,481
Interest income on bank deposits	10,371	15,887
Interest income on pledged deposits	2,924	20,386
Others	2,778	3,421
	<u>23,986</u>	<u>49,175</u>
Other losses, net		
Gain on disposal of property, plant and equipment	—	672
Net exchange losses, net	(3,850)	(32,006)
	<u>(3,850)</u>	<u>(31,334)</u>

8 FINANCE COSTS

	Six months ended	
	30 June	30 June
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest on borrowings	52,129	48,763
Interest on lease liabilities	129	185
Interest on deposits received for rental	602	634
	<u>52,860</u>	<u>49,582</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

9 INCOME TAX EXPENSE

	Six months ended	
	30 June	30 June
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current income tax		
– PRC corporate income tax	30,530	33,637
– PRC withholding income tax	15,766	7,921
– Under-provision of PRC corporate income tax in prior years	247	—
Deferred income tax (Note 23)	6,779	(32,515)
	<u>53,322</u>	<u>9,043</u>

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year.

PRC corporate income tax

The income tax provision of the Group in respect of operations in the PRC has been recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year.

The corporate income tax rate applicable to the group entities located in the PRC is 25% (six months ended 30 June 2024: 25%) according to the Corporate Income Tax Law of the PRC (the "CIT Law").

PRC land appreciation tax ("LAT")

Pursuant to the requirements of the Provisional Regulations of the PRC on LAT effective 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective on 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items. LAT has not been provided as the Group did not have any sale of properties for both periods.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

9 INCOME TAX EXPENSE (Continued)

PRC withholding income tax

Pursuant to the Detailed Implementation Regulations for the implementation of the CIT Law issued on 6 December 2017, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to this withholding income tax of 10%, a lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated in Hong Kong and fulfill the requirements to the tax treaty arrangements between the PRC and Hong Kong.

Hong Kong profits tax

The applicable Hong Kong profits tax rate is 16.5% for the six months ended 30 June 2025 (six months ended 30 June 2024: 16.5%). Hong Kong profits tax has not been provided as the Group did not have any assessable profit for both periods.

Sinolink Shanghai Investment Limited ("SSI") tax case in relation to the chargeability of notional interest income received from an associate

Since 2012, Hong Kong Inland Revenue Department ("IRD") queried against SSI, a subsidiary of the Group, regarding the chargeability of notional interest income received from an associate of the Group in the tax returns for the years of assessment 2005/2006 to 2013/2014.

Up to 30 June 2025, the IRD has issued Notice of Assessments for the years of assessment 2006/2007 to 2013/2014 and the Group has purchased tax reserve certificates of approximately HK\$134,750,000 (31 December 2024: HK\$134,750,000) for conditional standover order of objection against the notices of Assessments for the years of assessment 2006/2007 to 2013/2014. The amount was presented as "other receivables" in the Group's interim condensed consolidated statement of financial position as at 30 June 2025.

In 2016, the IRD issued a letter informing the Group, that the IRDs would put up the case for Commissioner's determination. In 2020, the Commissioner has issued notice of objection to the Group, and the Group has filed notice of appeal to Board of Review (Inland Revenue Ordinance) for hearing and determining tax appeals ("SSI Appeal"). In June 2023, the SSI Appeal hearing was held.

On 29 December 2023, the Board of Review (Inland Revenue Ordinance) released the decision of SSI Appeal ("Decision"), dismissed the appeal and upheld the determination of the notices of Assessments for the years of assessment 2006/2007 to 2013/2014.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

9 INCOME TAX EXPENSE (Continued)

Hong Kong profits tax (Continued)

Sinolink Shanghai Investment Limited (“SSI”) tax case in relation to the chargeability of notional interest income received from an associate (Continued)

On 29 January 2024, the Group filed a Summons for leave to appeal from the Decision of Board of Review (Inland Revenue Ordinance) (“Leave Application”), a Statement of Grounds and Reasons in Support and an affirmation in support.

On 14 February 2024, Commissioner filed an affirmation in opposition to leave application and the Statement of Opposition. Having considered the leave application and Commissioner’s Statement of Opposition, instead of disposing of the Leave Application, the High Court assigned the Leave Application to a High Court Judge and directed both the Group and the Commissioner to fix a hearing for argument on leave to appeal (“Leave Application Hearing”) on 27 February 2024. The Leave Application Hearing was held on 30 October 2024. On 4 February 2025, the Leave Application was granted by the Court of First Instance. On 23 May 2025, a notice of hearing was received by the Group, an appeal hearing is scheduled on 9 December 2025.

Having taken advices from legal and tax representatives, and with reference of certain precedent cases, the directors of the Company are of the view that it is more likely than not they will be able to successfully argue that the merits of the referenced precedent cases apply, and hence it is not probable that an outflow of resources will be required to settle this obligation as at 30 June 2025. Therefore, no provision is recognised for the six months ended 30 June 2025.

Knatwood Limited (“Knatwood”) tax case in relation to the claim of offshore income

Furthermore, since 2011, the IRD has queried against Knatwood, another subsidiary of the Company regarding the offshore claim in respect of certain income on the transactions between group entities for the year of assessment 2007/2008. Up to 30 June 2025, the Group has purchased tax reserve certificate of approximately HK\$23,649,000 (31 December 2024: HK\$23,649,000) for conditional standover order of objection. The amount is presented as “other receivables” in the Group’s interim condensed consolidated statement of financial position as at 30 June 2025. In 2016, the IRD issued a letter informing the Group that the IRD would put up the case for Commissioner’s determination. In 2020, the Commissioner has issued notice of objection to the Group and the Group has filed notice of appeal to Board of Review (Inland Revenue Ordinance) for hearing and determining tax appeals. The appeal hearing was held on 10 September 2024. Up to the date of issuance of this interim condensed consolidated financial information, the result of appeal hearing is yet to be announced.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

9 INCOME TAX EXPENSE (Continued)

Hong Kong profits tax (Continued)

Knatwood Limited ("Knatwood") tax case in relation to the claim of offshore income (Continued)

Having taken advices from tax and legal representatives, the directors of the Company were of the view that there were ample grounds to contest the tax positions of the subsidiary for the relevant year of assessment and hence it is not probable that an outflow of resources will be required to settle this obligation. Thus no provision is recognised for the six months ended 30 June 2025.

Should the decision of these tax disputes turn out to be unfavorable to the Group, the Group may need to record additional provision in respect of these tax disputes in future reporting periods.

10 EXPENSES BY NATURE

	Six months ended	
	30 June 2025	30 June 2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Employee benefit expenses (including directors' emoluments)	96,471	64,023
Depreciation of right-of-use assets	2,467	1,438
Depreciation of property, plant and equipment	12,944	8,376
Legal and professional fees	5,810	3,719
Utilities	9,774	8,267
Repairs and maintenance	14,477	7,553
Bank charges	3,875	7,945
Auditor's remuneration	800	800

11 DIVIDENDS

No dividends were paid, declared and proposed by the Company during the interim period (six months ended 30 June 2024: nil). The directors resolved that no dividend will be paid in respect of the interim period (six months ended 30 June 2024: nil).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

12 LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.

	Six months ended	
	30 June	30 June
	2025	2024
	(unaudited)	(unaudited)
Loss attributable to owners of the Company during the periods (HK\$'000)	507,105	150,515
Weighted average number of ordinary shares in issue	318,700,154	318,700,154
Basic loss per share (HK\$) (unaudited)	<u>1.59</u>	<u>0.47</u>

Note:

The weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share have been adjusted for the effects of share consolidation (the "Share Consolidation") effective from 27 May 2025 (Note 24) on the basis that every 20 issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated into 1 consolidated share of HK\$0.20 each as if the Share Consolidation had occurred at 1 January 2024, the beginning of the earliest reporting period. The loss per share for six months ended 30 June 2024 has been restated.

(b) Diluted

Diluted loss per share is calculated by adjusting the net loss and the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive shares.

For the six months ended 30 June 2025 and 2024, the Group has three categories of potentially dilutive shares: convertible bonds issued by the Company (details set out in Note 26), share options issued by the Company and an investment accounted for using the equity method - ZhongAn Technologies International Group Limited ("ZA Global").

The diluted loss per share for the six months ended 30 June 2025 and 2024 equal to the basic loss per share as the impacts of dilution of the convertible bonds and share options issued by the Company and an investment accounted for using the equity method – ZA Global are anti-dilutive.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

13 MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment of approximately HK\$3,812,000 (six months ended 30 June 2024 (unaudited): HK\$2,114,000).

As at 30 June 2025, the Group has provided an accumulated impairment of HK\$58,882,000 on the hotel buildings and related building improvement. As the recoverable amount of hotel buildings, which was assessed based on fair value less cost of disposal, approximated the carrying amount of that as at 30 June 2025, there is no impairment or reversal of impairment recognised for the six months ended 30 June 2025 (six months ended 30 June 2024 (unaudited): Nil).

14 INVESTMENT PROPERTIES

	Six months ended	
	30 June	30 June
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Opening net book amount	6,290,164	2,285,002
Fair value changes on investment properties	3,525	(76,944)
Exchange realignment	49,632	(17,183)
Closing net book amount	<u>6,343,321</u>	<u>2,190,875</u>

The Group measures its completed investment properties at fair value at 30 June 2025 and 31 December 2024, which have been arrived at on the basis of a valuation carried out on those dates by an independent qualified professional valuer, who is the member of the Hong Kong Institute of Surveyors. For all investment properties, their current use equates to the highest and best use.

The management of the Group works closely with the independent professional valuer to establish and determine the appropriate valuation techniques and inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the executive director of the Company to explain the cause of the fluctuations.

The fair values of investment properties were determined by making reference to comparable sales evidence as available in the relevant market, or where appropriate by the investment method by capitalising the net income derived from the existing tenancies with allowance for the reversionary income potential of the properties.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

14 INVESTMENT PROPERTIES (Continued)

The fair value measurement of the Group's investment properties is categorised into level 3 in the fair value hierarchy based on the inputs to valuation techniques used. During the period, there were no transfers of fair value measurements between level 1 and level 2 and no transfers into or out of level 3. There has been no change from the valuation technique used in the prior year for offices and retail premises. There were no changes to the valuation techniques during the period.

Below is a summary of the key inputs to the valuation of investment properties:

Properties	Valuation technique	Significant unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
As at 30 June 2025				
Office and retail premises	Income capitalisation approach	Capitalisation rate	4.25% - 5.75%	The higher capitalisation rate, the lower the fair value.
		Market rent (sq.m./month)	(a) Office: RMB116 to RMB315 (b) Retails: RMB81 to RMB911	The higher the market rent, the higher the fair value.
Car parks	Income capitalisation approach	Capitalisation rate	3.00%-5.75%	The higher capitalisation rate, the lower the fair value.
		Monthly market rent	RMB300 to RMB1,800	The higher market rent, the higher the fair value.
As at 31 December 2024				
Office and retail premises	Income capitalisation approach	Capitalisation rate	4.25% - 5.75%	The higher the capitalisation rate, the lower the fair value.
		Market rent (sq.m./month)	(a) Office: RMB114 to RMB311 (b) Retails: RMB81 to RMB942	The higher the market rent, the higher the fair value.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

14 INVESTMENT PROPERTIES (Continued)

Below is a summary of the key inputs to the valuation of investment properties: (Continued)

Properties	Valuation technique	Significant unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
As at 31 December 2024 (Continued)				
Car parks	Income capitalisation approach	Capitalisation rate	4.25% - 5.75%	The higher the capitalisation rate, the lower the fair value.
		Monthly market rent	RMB320 to RMB1,800	The higher the market rent, the higher the fair value.

15 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	As at	
	30 June 2025	31 December 2024
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Cost of unlisted investments accounted for using the equity method	3,026,050	3,024,367
Share of post-acquisition results and gain on dilutions (Note (i))	(732,489)	(758,849)
	<u>2,293,561</u>	<u>2,265,518</u>

Notes:

- (i) During the six months ended 30 June 2025, the Group's share of loss and other comprehensive income from investments accounted for using the equity method was mainly arisen from loss and other comprehensive income of ZA Global amounted to HK\$11,545,000 and HK\$26,503,000, respectively (six months ended 30 June 2024 (unaudited): share of loss and other comprehensive income from investments accounted for using the equity method was mainly arisen from loss and other comprehensive income of ZA Global amounted to HK\$101,651,000 and HK\$28,780,000, respectively).
- (ii) During the six months ended 30 June 2024, ZA Global has issued 28,952,677 shares to the other shareholder of ZA Global, and thus, the Group's equity interests in ZA Global was decreased from 45.53% to 45.08%. The dilution of the interests in ZA Global resulted in a gain of approximately HK\$56,379,000, being the difference between the proportionate share of ZA Global's net assets attributable to the Group and the carrying amount of the interests in ZA Global before the dilution, recognised in the interim condensed consolidated profit or loss during the six months ended 30 June 2024.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

16 LOAN RECEIVABLES

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Loan receivables (Note (i))	365,508	390,022
Less: loss allowance	(62,342)	(60,259)
Total	<u>303,166</u>	<u>329,763</u>
The loan receivables analysed as follows:		
Non-current	1,246	1,079
Current	<u>301,920</u>	<u>328,684</u>
	<u>303,166</u>	<u>329,763</u>

Notes:

- (i) Loan receivables from independent third parties are unsecured and carried interest rate ranged from 3.0% to 6.0% (31 December 2024: 3.0% to 6.0%) per annum.
- (ii) As at 30 June 2025, included in the loan receivables are two entrusted loans provided to an independent third party with remaining principal of RMB100,000,000 (equivalent to approximately HK\$109,649,000) and RMB50,000,000 (equivalent to approximately HK\$54,825,000) with expiry date on 13 August 2025. The two entrusted loans are secured and interest rates are fixed at 5% per annum. Subsequent to 30 June 2025, the expiry date of the entrusted loan with remaining principal amounted to RMB100,000,000 (equivalent to HK\$109,649,000) has been extended to 12 August 2026, and the entrusted loan with remaining principal amounted to RMB50,000,000 (equivalent to HK\$54,825,000) has been repaid on 13 August 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

16 LOAN RECEIVABLES (Continued)

As part of the Group's credit risk management, the debtors are assessed individually by the management of the Group as at 30 June 2025 and 31 December 2024 by reference to past default experience, current past due exposure of the debtor, the nature and prospect of the debtor's operation. The loss rate ranging from 0.16% to 30.53% (31 December 2024: 0.11% to 24.72%) is applied to the debtors. As at 30 June 2025, the impairment loss allowance on loans receivables is HK\$62,342,000 (31 December 2024: HK\$60,259,000).

The loss rates are estimated based on historical observed default rates over the expected life of the debtors, the realisation of collateral and guarantee and study of other corporates' default and recovery data from international credit rating agencies including Moody's and Standard and Poor's, and are adjusted for forward-looking information (for example, the current and forecasted economic growth rates in the PRC, which reflect the general economic conditions of the industry in which the debtors operate) that is available without undue cost or effort.

During the six months ended 30 June 2025, the Group has recognised provision for impairment loss allowance of HK\$1,147,000 (six months ended 30 June 2024 (unaudited): provision for impairment loss allowance of HK\$2,180,000).

17 STOCK OF PROPERTIES

	As at	
	30 June 2025	31 December 2024
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Completed properties held for sale	<u>3,043,756</u>	<u>2,956,253</u>

Completed properties held for sale of the Group are all located in the PRC and expected to be completed and available for sale within normal operating cycle.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

18 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Trade receivables from property management and property investment business, net	16,572	10,796
Less: loss allowance	(6,406)	(5,025)
Total trade receivables, net	10,166	5,771
Interest receivables from bank deposits and pledged bank deposits	24,972	79,504
Rental receivables	91,154	79,723
Other receivables, deposits and prepayments	39,140	58,324
Tax reserve certificates (Note 9)	158,399	158,399
	<u>323,831</u>	<u>381,721</u>
Non-current	185,886	230,937
Current	137,945	150,784
	<u>323,831</u>	<u>381,721</u>

The Group allows an average credit period ranging from 0 to 60 days to its customers of property management and property investment business from the invoices issuance date. The following is an aged analysis of trade receivables from property management and property investment services presented based on invoice dates at the end of reporting period, net of allowance for credit loss.

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Aged:		
0 to 60 days	8,289	4,930
61 to 180 days	1,538	688
Over 181 days	339	153
	<u>10,166</u>	<u>5,771</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

18 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

The Group applied simplified approach to provide for expected credit loss (“ECL”) prescribed by HKFRS 9 “Financial Instruments” (“HKFRS 9”). To measure the ECL of trade receivables from property management and property investment business, trade receivables have been grouped based on shared credit risk characteristics by reference to past default experience and current past due exposure of the debtor. Management of the Group considers that the ECL for trade receivables is insignificant as the debtors have good settlement history.

19 EQUITY INSTRUMENTS AT FVTOCI

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Equity securities of ZhongAn Online P&C Insurance Co., Limited (“ZhongAn Online”), at fair value	1,479,060	950,940
Unlisted fund investments in the PRC and overseas, at fair value	58,709	67,884
Unlisted equity securities in Hong Kong and the PRC	3,288	5,741
Total (Note (i))	<u>1,541,057</u>	<u>1,024,565</u>

Note:

- (i) The Group has made an irrevocable election to designate these investments in equity instruments as at FVTOCI. These investments are not held for trading, instead, they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

20 OTHER FINANCIAL ASSETS AT FVTPL

	As at	
	30 June 2025 <i>HK\$'000</i> <i>(unaudited)</i>	31 December 2024 <i>HK\$'000</i> <i>(audited)</i>
Equity securities listed in Hong Kong	5,407	2,007
Equity securities listed in the PRC	9,172	8,823
Unlisted fund investments in the PRC	192,524	175,765
Unlisted fund investments in overseas	98,332	98,989
	<u>305,435</u>	<u>285,584</u>
Other financial assets at FVTPL analysed as follows:		
Non-current	290,856	274,754
Current	14,579	10,830
	<u>305,435</u>	<u>285,584</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

21 TRADE AND OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Trade payables	35,008	31,909
Accruals for construction work	383,928	430,527
Deposits received for rental	166,143	126,890
Deposits received for the disposal of assets classified as held for sale	915,057	—
Advance lease payments	39,362	37,525
Deposits received for management fee	34,291	35,552
Dividend payable	—	111,231
Other tax payables	36,304	40,473
Salaries payables and staff welfare payables	64,501	56,304
Other payables and accrued charges	88,762	82,160
	1,763,356	952,571

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Aged:		
0 to 90 days	4,155	7,008
91 to 180 days	941	966
181 to 360 days	2,162	383
Over 360 days	27,750	23,552
	35,008	31,909

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

22 ASSETS/(LIABILITIES) CLASSIFIED AS HELD FOR SALE

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Assets classified as held for sale		
Property (Note (i))	914,957	911,265
Plant and equipment (Note (ii))	3,048	—
Cash and cash equivalents (Note (ii))	16,699	—
	<u>934,704</u>	<u>911,265</u>
Liabilities classified as held for sale (Note (ii))	<u>(24,527)</u>	<u>—</u>

Notes:

- (i) In 2024, one of the wholly owned subsidiaries entered into a sale and purchase agreement with the purchaser for two investment properties in the PRC (collectively, the "Properties") at the aggregated consideration of RMB1,436,553,000 (equivalent to approximately HK\$1,564,543,000).

The Properties comprise of a property amounted to HK\$637,605,000 which was disposed on 27 December 2024, another property amounted to HK\$914,957,000 which is expected to be disposed in 2025.

- (ii) On 3 March 2025, Sinolink Properties Limited ("Sinolink Properties"), an indirect 80% owned subsidiary, entered into a transfer agreement ("Transfer Agreement") with Shenzhen Baihuan Education Consulting Service Co., Ltd. (深圳百喚教育諮詢服務有限公司) ("Shenzhen Baihuan"). Pursuant to the Transfer Agreement, Sinolink Properties has agreed to transfer the operation right and assets and liabilities of Shenzhen Luohu Sinolink Primary School (深圳市羅湖區百仕達小學) ("School") to Shenzhen Baihuan at nil consideration. Consequently, assets and liabilities of the School were classified as assets and liabilities classified as held for sale.

In June 2025, the School was informed by Shenzhen Luohu District Education Bureau (深圳市羅湖區教育局) ("Education Bureau") that the Private School Operating Permit of the People's Republic of China and the Registration Certificate of Private Non-enterprise Unit (Legal Person) (collectively, the "School Operating Certificates") shall be revoked in accordance with existing regulations. Pursuant to the revocation of the School Operating Certificates, Sinolink Properties and Shenzhen Baihuan agreed to rescind the Transfer Agreement and the Transfer Agreement shall become null and void whatsoever and Sinolink Properties and Shenzhen Baihuan shall be fully discharged from all and any obligations and liabilities under the Transfer Agreement. As informed by the Education Bureau, Sinolink Properties shall proceed to wind up the School. Assets and liabilities of the School were remained as assets and liabilities classified as held for sale as at 30 June 2025. On 31 July 2025, Sinolink Properties and Education Bureau entered into another transfer agreement, pursuant to which Sinolink Properties has agreed to transfer the assets and liabilities of the School to Education Bureau at nil consideration. The relevant financial impact will be reflected in the consolidated financial statements of the Group for the year ending 31 December 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

23 DEFERRED TAX ASSETS/(LIABILITIES)

	As at 30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Deferred tax assets	17,632	16,886
Deferred tax liabilities	(1,189,777)	(1,051,369)
	<u>(1,172,145)</u>	<u>(1,034,483)</u>

The following are the major deferred tax (liabilities)/assets recognised and movements thereon during the periods:

	Fair value change on investment properties HK\$'000	Fair value change of equity instruments at FVTOCI HK\$'000	Fair value change of other financial assets at FVTPL HK\$'000	ECL provision HK\$'000	Lease liabilities HK\$'000	Undistributed profits of subsidiaries HK\$'000	Right-of-use assets HK\$'000	Effective rent HK\$'000	Withholding tax on interest income HK\$'000	Tax losses HK\$'000	Total HK\$'000
At 1 January 2025 (audited)	(733,530)	(209,764)	(19,914)	16,886	934	(56,438)	(934)	(19,929)	(31,763)	19,969	(1,034,483)
Currency realignment	(62)	(4,454)	(349)	264	(3)	(792)	3	(333)	(504)	307	(5,923)
(Charged)/credited to profit or loss (Note 9)	(6,245)	—	(4,220)	482	(283)	7,561	283	(2,769)	(1,588)	—	(6,779)
Credited to other comprehensive income	—	(124,960)	—	—	—	—	—	—	—	—	(124,960)
At 30 June 2025 (unaudited)	<u>(739,837)</u>	<u>(339,178)</u>	<u>(24,483)</u>	<u>17,632</u>	<u>648</u>	<u>(49,669)</u>	<u>(648)</u>	<u>(23,031)</u>	<u>(33,855)</u>	<u>20,276</u>	<u>(1,172,145)</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

23 DEFERRED TAX ASSETS/(LIABILITIES) (Continued)

The following are the major deferred tax (liabilities)/assets recognised and movements thereon during the periods: (continued)

	Fair value change on investment properties HK\$'000	Fair value change of equity instruments at FVTOCI HK\$'000	Fair value change of other financial assets at FVTPL HK\$'000	ECL provision HK\$'000	Lease liabilities HK\$'000	Undistributed profits of subsidiaries HK\$'000	Right-of-use assets HK\$'000	Effective rent HK\$'000	Withholding tax on interest income HK\$'000	Tax losses HK\$'000	Total HK\$'000
At 1 January 2024 (audited)	(275,922)	(336,929)	(35,206)	14,966	1,201	(33,151)	(1,201)	—	—	—	(666,242)
Currency realignment	2,032	2,202	232	(117)	—	239	—	—	—	—	4,588
Credited/(charged) to profit or loss (Note 9)	19,236	—	9,356	545	(142)	3,378	142	—	—	—	32,515
Credited to other comprehensive income	—	86,970	—	—	—	—	—	—	—	—	86,970
At 30 June 2024 (unaudited)	<u>(254,654)</u>	<u>(247,757)</u>	<u>(25,618)</u>	<u>15,394</u>	<u>1,059</u>	<u>(29,534)</u>	<u>(1,059)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(542,169)</u>

24 SHARE CAPITAL

	Number of shares	Amount HK\$'000
Ordinary shares		
Authorised:		
At 1 January 2024 at HK\$0.1 each (audited)	15,000,000,000	1,500,000
Capital diminution (Note (a)(ii))	(8,625,996,904)	—
Capital increase (Note (a)(iii))	<u>143,625,996,904</u>	<u>—</u>
At 31 December 2024 at HK\$0.01 each (audited)	150,000,000,000	1,500,000
Share consolidation (Note (b))	<u>(142,500,000,000)</u>	<u>—</u>
At 30 June 2025 at HK\$0.2 each (unaudited)	<u>7,500,000,000</u>	<u>1,500,000</u>
Issued and fully paid:		
At 1 January 2024 (audited)	6,374,003,096	637,400
Capital reduction (Note (a)(i))	<u>—</u>	<u>(573,660)</u>
At 31 December 2024 (audited)	6,374,003,096	63,740
Share consolidation (Note (b))	<u>(6,055,302,942)</u>	<u>—</u>
As at 30 June 2025 (unaudited)	<u>318,700,154</u>	<u>63,740</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

24 SHARE CAPITAL (Continued)

Notes:

(a) Capital Reorganisation

On 30 May 2024, the Board of Directors proposed to implement the capital reorganisation which would involve the capital reduction, the capital diminution and the capital increase ("Capital Reorganisation"). The Capital Reorganisation was approved by the shareholders of the Company at a special general meeting held on 3 July 2024 and became effective on 5 July 2024.

(i) Capital Reduction

The capital reduction would involve the reduction of par value of all the issued existing shares from HK\$0.10 each to HK\$0.01 each by cancelling the paid-up capital of the Company to the extent of HK\$0.09 on each issued existing share.

(ii) Capital Diminution

Subject to the capital reduction taking effect, the capital diminution would take place which would involve the cancellation of all authorised but unissued share capital of the Company in its entirety resulting in the diminution of the authorised share capital of the Company by such amount representing the amount of shares cancelled.

(iii) Capital Increase

Subject to the capital diminution taking effect, the capital increase would take place which would involve the increase in the authorised share capital of the Company to HK\$1,500,000,000 by the creation of such number of additional new shares as shall be sufficient to increase the authorised share capital of the Company to HK\$1,500,000,000 divided into 150,000,000,000 shares of par value of HK\$0.01 each.

Upon the Capital Reorganisation, the authorised share capital of the Company becomes HK\$1,500,000,000 divided into 150,000,000,000 shares of par value of HK\$0.01 each, of which 6,374,003,096 shares would have been issued and were fully paid or credited as fully paid. In addition, the par value of HK\$0.10 of each of the 6,374,003,096 issued existing shares was reduced from HK\$0.10 to HK\$0.01 per issued new share by cancelling the paid-up share capital to the extent of HK\$0.09 per issued existing share by way of a reduction of capital, the Company's existing issued share capital of approximately HK\$637,400,000 was reduced by approximately HK\$573,660,000 to HK\$63,740,000, the amount was credited to the contributed surplus.

(b) Share Consolidation

Pursuant to shareholders' approval on 23 May 2025, the Share Consolidation on the basis that every 20 issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated into 1 consolidated share of HK\$0.20 each has become effective on 27 May 2025. Upon the effective of Share Consolidation, the authorised share capital of the Company remained at HK\$1,500,000,000 but are divided into 7,500,000,000 consolidated shares of HK\$0.20 and the total number of issued ordinary shares of the Company has adjusted from 6,374,003,096 to 318,700,154.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

25 BANK BORROWINGS AND OTHER FINANCIAL LIABILITIES

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Bank borrowings - secured and repayment on demand	4,528,343	2,717,641
Other financial liabilities – unsecured	40,100	39,217
	4,568,443	2,756,858
Carrying amounts of borrowings that contain a repayment on demand clause (shown under current liabilities) but repayable:		
Within one year	2,210,112	485,183
Within one year which contain a repayment on demand clause	265,351	539,957
Within a period of more than one year but not exceeding two years	69,720	102,576
Within a period of more than two years but not exceeding five years	302,122	359,015
Over five years	1,721,138	1,270,127
	4,568,443	2,756,858
Less: Amount classified as current liabilities	(2,475,463)	(1,025,140)
Amount due after one year and classified as non-current liabilities	2,092,980	1,731,718

As at 30 June 2025, bank borrowings denominated in RMB242,000,000 (equivalent to HK\$265,351,000) (31 December 2024: RMB500,000,000 (equivalent to HK\$539,957,000)) and HK\$4,262,992,000 (31 December 2024: HK\$2,216,901,000) carried interest at benchmark interest rate as stipulated by Chinese Yuan in Hong Kong Interbank Offered Rate (“CNH HIBOR”) plus a certain percentage and Loan Prime Rate (“LPR”) minus 40 basis points respectively.

On 30 June 2025, the Group has drawn down a new syndicated loan (the “New Syndicated Loan”) of RMB1,950,000,000 (equivalent to HK\$2,138,158,000) with a facility amount of RMB2,750,000,000 (equivalent to HK\$3,015,351,000), for the purpose of repaying an existing syndicated loan (the “Existing Syndicated Loan”) of RMB1,981,904,000 (equivalent to HK\$2,173,140,000). The proceeds from the New Syndicated Loan were classified as restricted cash in the interim condensed consolidated statement of financial position as at 30 June 2025. On 1 July 2025, the Existing Syndicated Loan of RMB1,981,904,000 (equivalent to HK\$2,173,140,000) was repaid.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

25 BANK BORROWINGS AND OTHER FINANCIAL LIABILITIES (Continued)

The interest rates of bank borrowings in RMB as at the end of the reporting period range from 2.34% to 4.05% (31 December 2024: 2.70% to 4.63%) per annum.

The following assets were pledged respectively to banks to secure general banking facilities granted to the Group:

	As at	
	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Property, plant and equipment	175,312	178,979
Investment properties	4,601,958	4,574,338
Completed properties held for sale	2,163,810	2,102,462
Assets classified as held for sale	914,957	911,265
Pledged bank deposits	118,859	710,583
Trade receivables	8,161	6,018

As at 30 June 2025 and 31 December 2024, the Group has the following undrawn borrowing facilities:

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Expiring within one year	156,798	718,575
Expiring beyond one year	811,915	—
	968,713	718,575

26 CONVERTIBLE BONDS

	As at	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Financial liabilities at fair value through profit or loss – convertible bonds	697,647	199,719

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

26 CONVERTIBLE BONDS (Continued)

On 30 April 2024, the Company entered into the subscription agreement (the “Subscription Agreement”) with Mr. Ou Yaping (the “Controlling Shareholder” or “Subscriber”). Pursuant to the Subscription Agreement, the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, or procure his nominee to subscribe for, the convertible bonds with an aggregate principal amount of HK\$200,000,000. The convertible bonds were issued on 12 July 2024.

On 12 July 2024 (the “Issue Date”), the Company issued a three-year zero coupon convertible bonds (the “Convertible Bonds”) with a nominal value of HK\$200,000,000 to Asia Pacific Promotion Limited (“Asia Pacific”), a company wholly owned by the Subscriber. The Convertible Bonds are denominated in HK\$. The Convertible Bonds entitle the holders to convert them into ordinary shares of the Company at any time between the 181 days after the Issue Date of the Convertible Bonds and their settlement date on 12 July 2027 (the “Maturity Date”) at an initial conversion price of HK\$0.085 per ordinary share. If the Convertible Bonds not been converted, they will be redeemed on Maturity Date at par. The principal terms of the Convertible Bonds are set out below:

Principal amount	HK\$200,000,000
Maturity Date	The third anniversary of the date of issue of the Convertible Bonds
Interest rate	The Convertible Bonds will not bear any interest
Conversion rights (the “Conversion Rights”)	A holder of the Convertible Bonds shall have the right to convert the whole or in part of the principal amount of the Convertible Bonds into conversion shares at the conversion price (subject to adjustments) on any business day during the period commencing from the date falling on the 181st day after the issue date of the Convertible Bonds, and ending on the Maturity Date of the Convertible Bonds, subject to the restrictions on the exercise of the Conversion Rights.
Conversion price (the “Conversion Price”)	HK\$0.085 per share of HK\$0.01 each, subject to adjustments for, among other things, capitalisation issue, sub-division, consolidation and reclassification of shares, issue of shares in lieu of the whole or any part of specifically declared cash dividend, capital distributions, cash dividend, offers to shareholders, issue of new shares for convertible or exchangeable securities at discount, issue of new shares at discount, consideration issues and other dilutive events. Upon the completion of Share Consolidation on 27 May 2025 (Note 24), the Conversion Price was adjusted from HK\$0.085 to HK\$1.70 per share of HK\$0.20 each.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

26 CONVERTIBLE BONDS (Continued)

Conversion shares	Assuming full conversion of the aggregate principal amount of the Convertible Bonds of HK\$200,000,000 at the initial conversion price of HK\$0.085 per share, the Convertible Bonds will be convertible into a total of 2,352,941,176 new shares of the Company. Upon the completion of Share Consolidation on 27 May 2025 (Note 24), the maximum number of conversion shares that will be issued upon conversion was adjusted from 2,352,941,176 to 117,647,058 at adjusted Conversion Price of HK\$1.70 per share.
Redemption at option of the Company	The Company shall be entitled at its sole discretion, by giving not less than seven days' notice to the holder of the Convertible Bonds, propose to the holder of the Convertible Bonds to redeem the whole or any part of the outstanding Convertible Bonds (in multiples of HK\$500,000 or such lesser amount as may represent the entire principal amount thereof) at any time after the date of issue of the Convertible Bonds up to and including the date falling seven days immediately before the Maturity Date of the Convertible Bonds.
Redemption at maturity	Unless previously redeemed in full as disclosed above, the Company shall be required upon the Maturity Date to redeem at 100% of all or any part of the principal amount of the Convertible Bonds in respect of which the Conversion Rights have not been exercised.

The Convertible Bonds are classified as financial liabilities at fair value through profit or loss in accordance with the substance of the contractual arrangements and the definitions of a financial liability. During the six months ended 30 June 2025, a fair value loss on Convertible Bonds of HK\$497,928,000 was recognised. Refer to Note 4 for fair value measurement of Convertible Bonds.

On 24 July 2025, the Company received a conversion notice from Asia Pacific in respect of the exercise of the Conversion Rights attached to the Convertible Bonds with the principal amount of HK\$200,000,000 at the Conversion Price of HK\$1.70 ("Conversion"). Accordingly, 117,647,058 ordinary shares were allotted and issued to Asia Pacific on 25 July 2025. This is a non-adjusting event and does not result in any adjustments to the interim condensed consolidated financial information for the six months ended 30 June 2025. Upon the Conversion, including the fair value loss on Convertible Bonds of HK\$497,928,000 recognised in the interim condensed consolidated financial information for the six months ended 30 June 2025, a total fair value loss on Convertible Bonds of HK\$974,399,000 will be recognised in the consolidated statement of profit or loss for the year ending 31 December 2025. Consequently, the Convertible Bonds of HK\$1,174,118,000 will be derecognised as at 25 July 2025, amounts of HK\$234,824,000 and HK\$939,294,000 will be credited to share capital and share premium, respectively.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

27 RELATED PARTY TRANSACTIONS

The major related parties that had transactions with the Group were as follows:

Name of related parties	Relationship with the Group
Shanghai Bund de Rockefeller Group Master Development Co., Ltd. ("Shanghai Rockefeller")	An investment accounted for using the equity method of the Group before 20 December 2024
ZA Bank Limited	A subsidiary of a joint venture of the Group
ZhongAn Online	Controlling Shareholder is a member of the key management personnel of ZhongAn Online

The following is a summary of significant related party transactions which, in the opinion of the directors, are entered into in the ordinary course of business between the Group and its related parties, and the balances arising from related party transactions.

(a) Transactions

Name of related party	Nature of transaction	Six months ended	
		30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Shanghai Rockefeller	Project management fee income	—	13,098
ZhongAn Online	Rental income	66,029	—
ZhongAn Online	Property management income	7,470	—

The transactions were entered into at prices and terms mutually agreed by the relevant parties.

(b) Period-end/year-end balances with related parties

	As at		Nature
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)	
Amount due to ZA Bank Limited	12,318	6,512	Non-trade
Advance lease payments from ZhongAn Online	29,851	—	Trade

The balance was unsecured, interest free and repayable on demand. This balance was denominated in HK\$.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

27 RELATED PARTY TRANSACTIONS (Continued)

(c) Key management compensation

Key management compensation for the six months ended 30 June 2025 and 2024 are set out below:

	Six months ended	
	30 June	30 June
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Employee benefit expenses (including directors' emoluments)		
– Salaries and other employee benefits	2,528	2,117
– Pension costs	27	27
	<u>2,555</u>	<u>2,144</u>

28 FINANCIAL GUARANTEE CONTRACTS

	As at	
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Guarantees given to banks for the mortgage loans arranged for the purchasers of the Group's properties	<u>1,578</u>	<u>2,695</u>

No financial liabilities were recognised in respect of financial guarantee contracts. In the opinion of the directors, the fair values of the financial guarantee contracts at initial recognition were insignificant and it is not probable that the counterparties would default on the relevant loans.

29 COMMITMENTS

	As at	
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Commitments in respect of stock of properties:		
– contracted for but not provided in the interim condensed consolidated financial information	<u>41,984</u>	<u>52,355</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 SHARE OPTIONS

A share option scheme was adopted by shareholders of the Company on 17 May 2012 (the “2012 Share Option Scheme”), under which the board of directors may, at its discretion, offer any employee (including the executive director) of the Company or its subsidiaries options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2012 Share Option Scheme had a life of 10 years.

A share option scheme was adopted by shareholders of the Company on 31 May 2022 (the “2022 Share Option Scheme”), under which the board of directors may, at its discretion, offer any employee (including the executive director) of the Company or its subsidiaries options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2022 Share Option Scheme has a life of 10 years. During the six months ended 30 June 2025, no share options have been granted (31 December 2024: Nil).

The table below discloses the movement of the Company’s share options held by the directors and the employees for 2012 Share Option Scheme:

	Number of share options		
	As at 1 January 2025 (audited)	Lapsed during the period	As at 30 June 2025 (unaudited)
Exercisable share options	<u>114,444,000</u>	<u>(114,444,000)</u>	<u>—</u>

	Number of share options		
	As at 1 January 2024 (audited)	Lapsed during the period	As at 30 June 2024 (unaudited)
Exercisable share options	<u>124,848,000</u>	<u>(10,404,000)</u>	<u>114,444,000</u>

During six months ended 30 June 2025, all share options granted under 2012 Share Option Scheme were fully lapsed and expired before the Share Consolidation. As at 31 December 2024, the share option under 2012 Share Option Scheme were exercisable from the completion of vesting period to 14 May 2025 with exercise price of HK\$1.185.

As at 31 December 2024, the number of shares in respect of which options had been granted and remained outstanding under the 2012 Share Option Scheme was 114,444,000, representing 1.8% of the shares of the Company in issue.