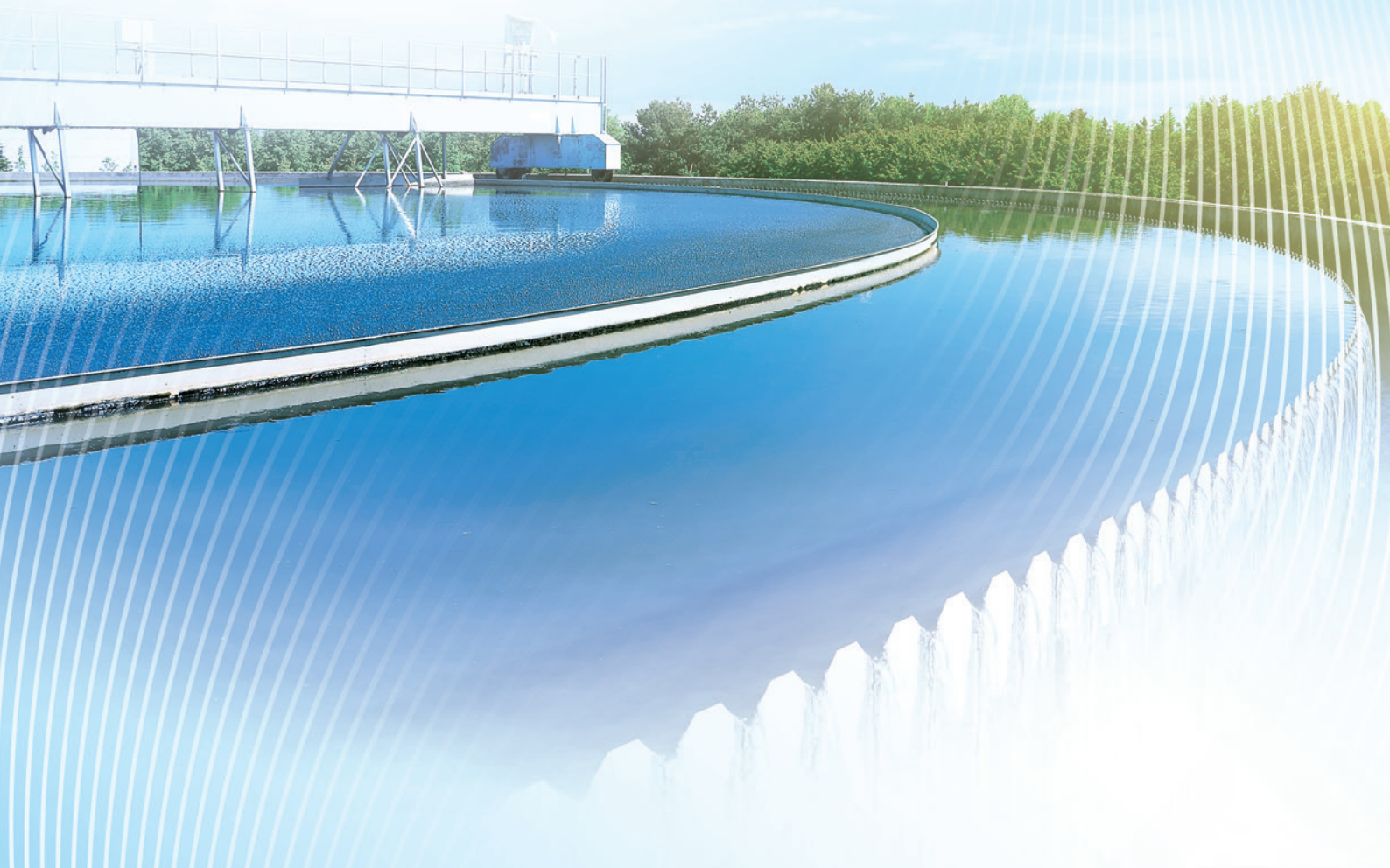




GUANGDONG INVESTMENT LIMITED
(粵 海 投 資 有 限 公 司)

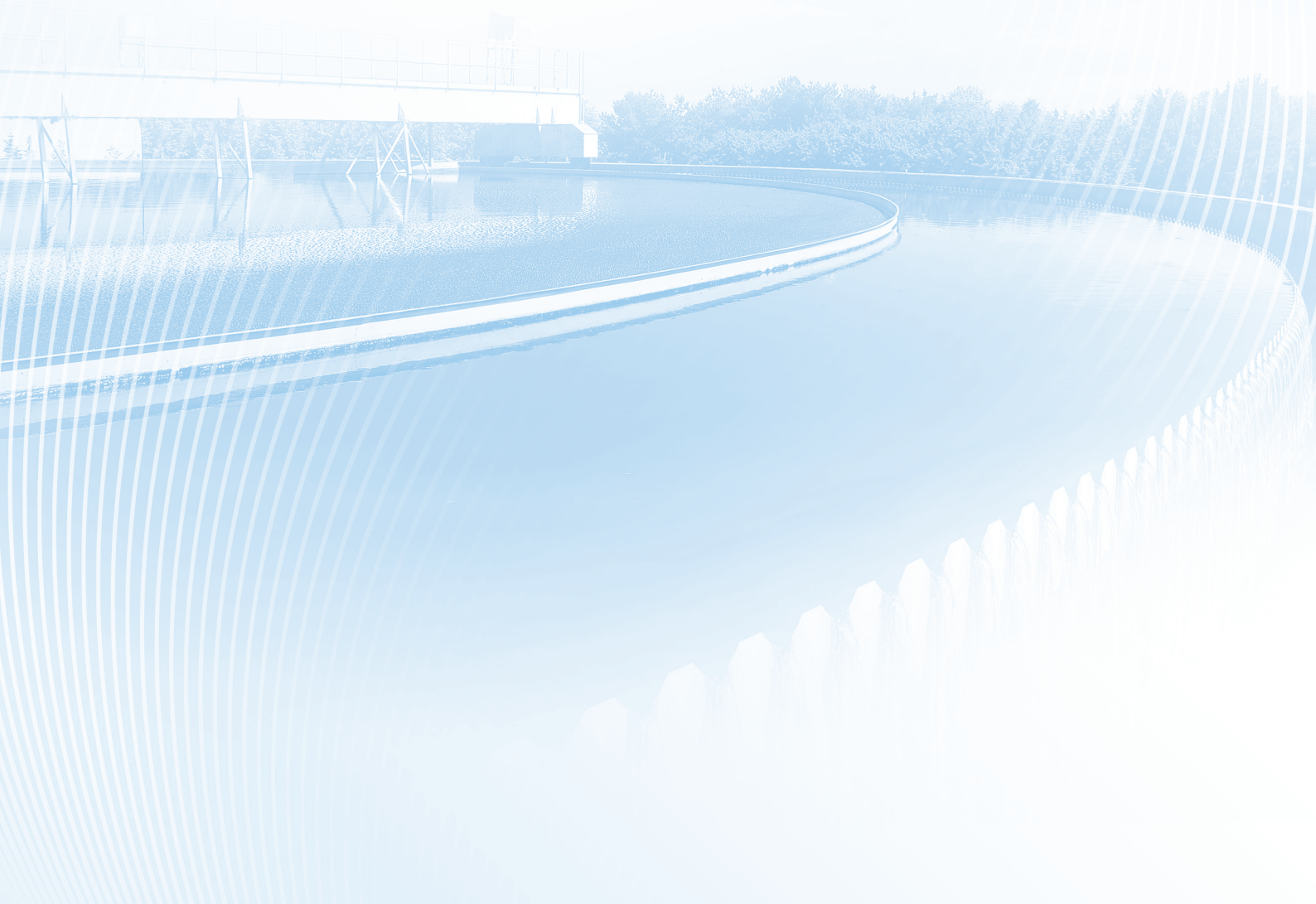
Stock Code : 00270



2025
INTERIM REPORT

Contents

2	Corporate Information
3	Review Report
	Unaudited Interim Financial Report
4	Condensed Consolidated Statement of Profit or Loss
6	Condensed Consolidated Statement of Comprehensive Income
7	Condensed Consolidated Statement of Financial Position
9	Condensed Consolidated Statement of Changes in Equity
11	Condensed Consolidated Statement of Cash Flows
13	Notes to Interim Financial Report
47	Management Discussion and Analysis
61	Directors' Interests and Short Positions in Securities
62	Substantial Shareholders' and Other Persons' Interests
63	Corporate Governance and Other Information



Corporate Information

As at 25 August 2025

Board of Directors

Executive Directors

Ms. BAI Tao (*Chairman*)
Mr. KUANG Hu (*Managing Director*)
Mr. TSANG Hon Nam (*Deputy General Manager*)
Ms. LIANG Yuanjuan (*Chief Financial Officer*)

Non-Executive Directors

Mr. WANG Min
Ms. WANG Surong

Independent Non-Executive Directors

Dr. CHAN Cho Chak, John, *GBS, JP*
Mr. FUNG Daniel Richard, *SBS, QC, SC, JP*
Dr. the Honourable CHENG Mo Chi, Moses,
GBM, GBS, OBE, JP
Mr. LI Man Bun, Brian David,
BBS, JP, MA (Cantab), MBA, FCA

Audit Committee

Mr. LI Man Bun, Brian David (*Committee Chairman*)
Dr. CHAN Cho Chak, John
Mr. FUNG Daniel Richard
Dr. the Honourable CHENG Mo Chi, Moses

Remuneration Committee

Dr. CHAN Cho Chak, John (*Committee Chairman*)
Mr. FUNG Daniel Richard
Dr. the Honourable CHENG Mo Chi, Moses
Mr. LI Man Bun, Brian David

Nomination Committee

Ms. BAI Tao (*Committee Chairman*)
Dr. CHAN Cho Chak, John
Mr. FUNG Daniel Richard
Dr. the Honourable CHENG Mo Chi, Moses
Mr. LI Man Bun, Brian David

General Counsel & Chief Compliance Officer & Company Secretary

Ms. YANG Na

Auditor

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in accordance
with the Accounting and Financial Reporting
Council Ordinance

Principal Bankers

Bank of China
Bank of China (Hong Kong) Limited
China CITIC Bank, Guangzhou Branch
China Merchants Bank
Chong Hing Bank
DBS Bank Ltd., Hong Kong Branch
Hang Seng Bank
Industrial and Commercial Bank of China (Asia) Limited
Industrial and Commercial Bank of China
Standard Chartered Bank

Registered Office

28th and 29th Floors
Guangdong Investment Tower
148 Connaught Road Central
Hong Kong
Telephone : (852) 2860 4368
Email : ir@gdi.com.hk
Website : www.gdi.com.hk

Share Registrar

Tricor Investor Services Limited
17th Floor, Far East Finance Centre
16 Harcourt Road
Hong Kong
Customer Service Hotline: (852) 2980 1333

Share Information

Place of Listing	Main Board of The Stock Exchange of Hong Kong Limited
Stock Code	00270
Board Lot	2,000 shares
Financial Year End	31 December

Shareholders' Calendar

Closure of Register of Members	10 October 2025
Interim Dividend	HK26.66 cents per ordinary share payable on or about 23 October 2025

Review Report



Review report to the board of directors of Guangdong Investment Limited (Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 4 to 46, which comprises the condensed consolidated statement of financial position of Guangdong Investment Limited and its subsidiaries as of 30 June 2025 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

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

Scope of review

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

Conclusion

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

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

25 August 2025

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

		For the six months ended 30 June 2025	2024 (Restated) (Unaudited) HK\$'000
	Notes	(Unaudited) HK\$'000	
Continuing operations			
REVENUE	4	9,428,291	9,486,866
Cost of sales		(4,181,843)	(4,179,374)
Gross profit		5,246,448	5,307,492
Other income and gains, net		262,415	228,032
Changes in fair value of investment properties		(3,198)	(60,553)
Selling and distribution expenses		(246,619)	(245,174)
Administrative expenses		(887,536)	(1,030,087)
Exchange differences, net		(31,538)	6,174
Other operating income, net		46,000	36,581
Finance costs	5	(341,461)	(492,799)
Share of profits less losses of associates		60,573	99,247
PROFIT BEFORE TAX	6	4,105,084	3,848,913
Income tax expense	7	(1,111,803)	(1,065,106)
Profit for the period from continuing operations		2,993,281	2,783,807
Discontinued operations			
Loss for the period from discontinued operations	20	(21,267)	(118,025)
PROFIT FOR THE PERIOD		2,972,014	2,665,782
Attributable to:			
Owners of the Company		2,681,733	2,410,985
Non-controlling interests		290,281	254,797
		2,972,014	2,665,782

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

		For the six months ended 30 June 2025	2024 (Restated) (Unaudited) HK\$'000
	Note	(Unaudited) HK\$'000	
Attributable to owners of the Company arising from:			
Continuing operations		2,698,784	2,473,445
Discontinued operations		(17,051)	(62,460)
		2,681,733	2,410,985
Attributable to non-controlling interests arising from:			
Continuing operations		294,497	310,362
Discontinued operations		(4,216)	(55,565)
		290,281	254,797
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	9		
Basic and diluted:			
Continuing operations		HK41.28 cents	HK37.83 cents
Discontinued operations		HK(0.26) cents	HK(0.95) cents
		HK41.02 cents	HK36.88 cents

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	For the six months ended 30 June 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
PROFIT FOR THE PERIOD	2,972,014	2,665,782
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations		
– Subsidiaries	754,910	(387,431)
– Associates	55,733	(25,157)
Other comprehensive income that may be reclassified to profit or loss in subsequent periods	810,643	(412,588)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Fair value gains of property, plant and equipment upon transfer to investment properties, net of tax	43,453	6,333
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	854,096	(406,255)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,826,110	2,259,527
Attributable to:		
Owners of the Company	3,324,696	2,121,850
Non-controlling interests	501,414	137,677
	3,826,110	2,259,527

Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		9,865,620	9,965,677
Investment properties		16,267,477	15,886,606
Right-of-use assets		1,043,377	1,043,180
Goodwill		817,950	810,988
Other intangible assets		585,555	593,788
Investments in associates		3,695,941	3,607,316
Operating concession rights		19,901,723	20,040,449
Receivables under service concession arrangements	10	17,042,274	16,966,044
Receivables under a cooperative arrangement		1,812,903	1,813,009
Other financial assets at amortised cost	11	3,478,204	3,384,857
Equity investments designated at fair value through other comprehensive income		16,997	16,738
Prepayments and other receivables	12	1,075,456	519,303
Deferred tax assets		196,410	198,981
Total non-current assets		75,799,887	74,846,936
CURRENT ASSETS			
Completed properties held for sale		93,951	92,520
Tax recoverable		76,049	70,904
Inventories		566,255	309,360
Receivables under service concession arrangements	10	610,666	615,399
Receivables under a cooperative arrangement		238,359	357,325
Receivables, prepayments and other receivables	12	6,749,709	5,578,979
Due from non-controlling equity holders of subsidiaries		907,190	887,425
Restricted bank balances		19,435	19,457
Cash and bank balances		12,035,983	12,154,029
		21,297,597	20,085,398
Assets classified as held for distribution	20	–	40,663,069
Total current assets		21,297,597	60,748,467

Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
CURRENT LIABILITIES			
Payables, accruals and other liabilities	13	(10,305,070)	(10,793,261)
Contract liabilities	13	(1,085,181)	(1,301,097)
Tax payable		(715,073)	(603,427)
Due to non-controlling equity holders of subsidiaries		(408,068)	(422,615)
Bank and other borrowings	14	(4,923,655)	(7,330,175)
Lease liabilities		(80,510)	(84,756)
Dividend payables		(475,300)	–
		(17,992,857)	(20,535,331)
Liabilities directly associated with assets classified as held for distribution	20	–	(35,202,576)
Total current liabilities		(17,992,857)	(55,737,907)
NET CURRENT ASSETS		3,304,740	5,010,560
TOTAL ASSETS LESS CURRENT LIABILITIES		79,104,627	79,857,496
NON-CURRENT LIABILITIES			
Bank and other borrowings	14	(16,253,676)	(16,531,830)
Lease liabilities		(259,623)	(294,378)
Other liabilities and contract liabilities	13	(1,455,838)	(1,306,244)
Deferred tax liabilities		(5,285,520)	(5,049,571)
Total non-current liabilities		(23,254,657)	(23,182,023)
Net assets		55,849,970	56,675,473
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	8,966,177	8,966,177
Reserves	16	33,211,536	32,691,847
		42,177,713	41,658,024
Non-controlling interests		13,672,257	15,017,449
Total equity		55,849,970	56,675,473

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company											Non-controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
	Share capital (Unaudited) HK\$'000	Asset revaluation reserve (Unaudited) HK\$'000	Capital reserve (Unaudited) HK\$'000	Expansion fund reserve (Unaudited) HK\$'000	Exchange fluctuation reserve (Unaudited) HK\$'000	Other reserves (Unaudited) HK\$'000	Fair value reserve (Unaudited) HK\$'000	Defined benefit plan reserve (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Total (Unaudited) HK\$'000			
At 1 January 2025	8,966,177	481,539*	1,761,992*	5,026,803*	(3,108,807)*	(102,511)*	2,627*	19,690*	28,610,514*	41,658,024	15,017,449	56,675,473	
Profit for the period	-	-	-	-	-	-	-	-	2,681,733	2,681,733	290,281	2,972,014	
Other comprehensive income for the period:													
Exchange differences on translation of foreign operations													
– Subsidiaries	-	-	-	-	544,182	-	-	-	-	544,182	210,728	754,910	
– Associates	-	-	-	-	55,733	-	-	-	-	55,733	-	55,733	
Fair value gains on property, plant and equipment upon transfer to investment properties, net of tax	-	43,048	-	-	-	-	-	-	-	43,048	405	43,453	
Total comprehensive income for the period	-	43,048	-	-	599,915	-	-	-	2,681,733	3,324,696	501,414	3,826,110	
Capital injection from non-controlling equity holders of subsidiaries	-	-	5,367	-	-	-	-	-	-	5,367	139,513	144,880	
Dividends paid and payable to non-controlling equity holders of subsidiaries	-	-	-	-	-	-	-	-	-	-	(165,349)	(165,349)	
Distribution in specie of shares in a subsidiary (note)	-	-	9,607	(220,904)	299,753	-	(2,627)	-	(2,420,903)	(2,335,074)	(1,820,770)	(4,155,844)	
Utilisation and appropriation of safety production funds	-	-	-	-	-	(3,275)	-	-	3,275	-	-	-	
Final 2024 dividend (note 8(b))	-	-	-	-	-	-	-	-	(475,300)	(475,300)	-	(475,300)	
At 30 June 2025	8,966,177	524,587*	1,776,966*	4,805,899*	(2,209,139)*	(105,786)*	-*	19,690*	28,399,319*	42,177,713	13,672,257	55,849,970	

* These reserve accounts comprise the consolidated reserves of HK\$33,211,536,000 (31 December 2024: HK\$32,691,847,000) in the condensed consolidated statement of financial position as at 30 June 2025.

Note: As disclosed in note 8(c) to this interim financial report, on 21 January 2025, a total of 1,261,799,423 Guangdong Land Holdings Limited (“GD Land”) shares was distributed to the shareholders, with an aggregate net assets value of approximately HK\$2,335,074,000 recognised as distribution during the period.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company										Non-controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
	Share capital (Unaudited) HK\$'000	Asset revaluation reserve (Unaudited) HK\$'000	Capital reserve (Unaudited) HK\$'000	Expansion fund reserve (Unaudited) HK\$'000	Exchange fluctuation reserve (Unaudited) HK\$'000	Other reserves (Unaudited) HK\$'000	Fair value reserve (Unaudited) HK\$'000	Defined benefit plan reserve (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Total (Unaudited) HK\$'000		
At 1 January 2024	8,966,177	474,528	1,756,566	4,644,080	(2,178,311)	(109,577)	1,505	19,690	28,227,552	41,802,210	16,227,415	58,029,625
Profit for the period	-	-	-	-	-	-	-	-	2,410,985	2,410,985	254,797	2,665,782
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations												
– Subsidiaries	-	-	-	-	(270,311)	-	-	-	-	(270,311)	(117,120)	(387,431)
– Associates	-	-	-	-	(25,157)	-	-	-	-	(25,157)	-	(25,157)
Fair value gains on property, plant and equipment upon transfer to investment properties, net of tax	-	6,333	-	-	-	-	-	-	-	6,333	-	6,333
Total comprehensive income for the period	-	6,333	-	-	(295,468)	-	-	-	2,410,985	2,121,850	137,677	2,259,527
Capital injection from a non-controlling equity holder of a subsidiary	-	-	-	-	-	-	-	-	-	-	11,629	11,629
Dividends paid and payable to non-controlling equity holders of subsidiaries	-	-	-	-	-	-	-	-	-	-	(226,705)	(226,705)
Transfer from retained profits	-	-	-	67	-	-	-	-	(67)	-	-	-
Appropriation of safety production funds	-	-	-	-	-	61	-	-	(61)	-	-	-
Final 2023 dividend (note 8(b))	-	-	-	-	-	-	-	-	(806,113)	(806,113)	-	(806,113)
At 30 June 2024	8,966,177	480,861	1,756,566	4,644,147	(2,473,779)	(109,516)	1,505	19,690	29,832,296	43,117,947	16,150,016	59,267,963

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Net cash flows from operating activities	3,339,443	4,875,738
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of items of property, plant and equipment	22,789	3,606
Net movement in receivables under a cooperative arrangement	(50,300)	22,010
Purchases of items of property, plant and equipment	(272,145)	(341,415)
Additions to investment properties	–	(14,087)
Additions to service concession arrangements	(250,118)	(159,751)
(Increase)/decrease in non-pledged time deposits with original maturity of more than three months when acquired	(296,342)	419,951
Movement in other financial assets at amortised cost	–	(2,201,000)
Settlement of consideration payable for acquisition of subsidiaries in prior years	–	(31,990)
Net cash flows used in investing activities	(846,116)	(2,302,676)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank and other borrowings	559,440	6,596,260
Repayments of bank and other borrowings	(3,857,090)	(7,122,670)
Capital injection from non-controlling equity holders of subsidiaries	5,367	11,629
Principal portion of lease payments	(50,765)	(16,030)
Dividends paid to non-controlling equity holders of subsidiaries	(60,610)	(195,745)
Net cash disposed upon distribution in specie	(2,176,240)	–
Interest paid	(351,403)	(802,279)
Release of pledged bank deposit related to bank borrowings	1,624,800	–
Net cash flows used in financing activities	(4,306,501)	(1,528,835)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,813,174)	1,044,227
Cash and cash equivalents at beginning of period	13,327,823	11,393,449
Effect of foreign exchange rate changes, net	68,438	(75,937)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	11,583,087	12,361,739
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	9,980,726	9,671,935
Non-pledged time deposits with original maturity of less than three months when acquired	1,602,361	2,689,804
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	11,583,087	12,361,739
Non-pledged time deposits with original maturity of more than three months when acquired	452,896	773,564
Cash and bank balances as stated in the condensed consolidated statement of financial position	12,035,983	13,135,303

Notes to Interim Financial Report

30 June 2025

1. General information and accounting policies

Guangdong Investment Limited (the “Company”) is a limited liability company incorporated and domiciled in the Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”) whose shares are publicly traded. The principal activities of the Company and its subsidiaries (collectively known as the “Group”) are described in note 3.

On 9 December 2024, the Company’s Board of Directors recommended the payment of a special dividend in the form of a distribution in specie of shares of GD Land held directly by the Company (“Proposed Distribution”), conditional upon the passing of an ordinary resolution by the shareholders of the Company. On 8 January 2025, the resolution to approve the Proposed Distribution was passed by the shareholders of the Company. On 21 January 2025, a total of 1,261,799,423 GD Land shares (representing approximately 99.9% of GD Land shares held by the Company) was distributed to the shareholders.

The consolidated assets and liabilities of GD Land were classified as held for distribution as at 31 December 2024 and the consolidated results of GD Land for the period from 1 January 2025 to 21 January 2025 were presented in the unaudited interim financial report as discontinued operations in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) 5, *Non-current Assets Held for Sale and Discontinued Operations*. The consolidated statement of profit or loss distinguished the discontinued operations from the continuing operations, and the comparative figures for the six months ended 30 June 2024 have been restated accordingly.

This unaudited interim financial report of the Group for the six months ended 30 June 2025 has been prepared in accordance with the Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). This unaudited interim financial report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2024.

The accounting policies adopted in the preparation of the unaudited interim financial report are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2024, except for the adoption of the amended HKFRS Accounting Standards (which also include all applicable individual Hong Kong Financial Reporting Standards, HKAS and Interpretations) for the first time for the current period’s unaudited interim financial report, as further detailed in note 2 below.

The unaudited interim financial report has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the HKICPA. KPMG’s independent review report to the Board of Directors is included on page 3.

Notes to Interim Financial Report

30 June 2025

1. General information and accounting policies (continued)

The financial information relating to the year ended 31 December 2024 included in this unaudited interim financial report for the six months ended 30 June 2025 as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that year but is derived from those consolidated financial statements. Further information relating to those statutory consolidated financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Chapter 622) is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Chapter 622).

The Company's auditor has reported on those consolidated financial statements for the year ended 31 December 2024. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

2. Changes in accounting policies and disclosures

Other than changes in accounting policies resulting from application of amended HKFRS Accounting Standards, the accounting policies and methods of computation used in the interim financial report for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the Group's interim financial report:

- Amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*

The application of the amended HKFRS Accounting Standards in the current period has had no material impact on the Group's financial position and performance for the current and prior periods and/or on the disclosures set out in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current interim period.

Notes to Interim Financial Report

30 June 2025

3. Operating segment information

For management purposes, the Group is organised into business units based on their products and services and has seven reportable operating segments as follows:

- (i) The water resources segment engages in water distribution, sewage treatment, construction of water supply and sewage treatment infrastructure, water pipeline installation and consultancy services and sale of machineries for customers in the mainland of the People's Republic of China (the "PRC") ("Mainland China") and Hong Kong;
- (ii) The property investment segment mainly invests in various properties in Mainland China and Hong Kong that are held for rental income purposes. This segment also provides property management services to certain commercial properties;
- (iii) The department store operation segment operates department stores, which engages in sale of goods and concessionaire sales, and management and sub-letting of operating area in Mainland China;
- (iv) The electric power generation segment operates coal-fired power plants supplying electricity and steam in Guangdong Province, the PRC;
- (v) The hotel operation and management segment operates the Group's hotels and provides hotel management services to certain third parties' hotels in Mainland China and Hong Kong;
- (vi) The road and bridge segment invests in road and bridge projects, which engages in toll road operation and road management in Mainland China; and
- (vii) The "others" segment provides treasury services in Mainland China and Hong Kong and engages in the provision of corporate services to other segments.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss) from continuing operations, which is a measure of adjusted profit/(loss) before tax from continuing operations. The adjusted profit/(loss) before tax from continuing operations is measured consistently with the Group's profit before tax from continuing operations except that bank interest income, interest income from other financial assets at amortised cost, interest income from financial assets at fair value through profit or loss, interest income from a loan to a fellow subsidiary, dividends received from equity investments designated at fair value through other comprehensive income, finance costs (other than interest on lease liabilities), share of profits less losses of associates and net loss on distribution in specie are excluded from such measurement.

Segment assets include total assets, exclude assets classified as held for distribution, and exclude deferred tax assets, tax recoverable, cash and bank balances, restricted bank balances, other financial assets at amortised cost, equity investments designated at fair value through other comprehensive income and other unallocated assets as these assets are managed on a group basis.

Segment liabilities include total liabilities, exclude liabilities directly associated with assets classified as held for distribution, and exclude bank and other borrowings, tax payable, deferred tax liabilities, dividend payables and other unallocated liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices. Intersegment sales are eliminated in full on consolidation.

Notes to Interim Financial Report

30 June 2025

3. Operating segment information (continued)

	Water resources		Property investment		Department store operation	
	For the six months ended 30 June		For the six months ended 30 June		For the six months ended 30 June	
	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue from continuing operations:						
Revenue from external customers	7,153,052	7,051,438	810,718	778,698	216,529	389,592
Intersegment sales	–	–	45,764	45,694	–	–
Other income and gains from external sources	30,509	39,957	2,569	2,915	5,026	8,680
Other income from intersegment transactions	–	–	–	–	–	–
Total	7,183,561	7,091,395	859,051	827,307	221,555	398,272
Segment results from continuing operations	3,402,202	3,421,332	479,589	425,405	23,891	(9,387)
Bank interest income						
Interest income from other financial assets at amortised cost						
Interest income from financial assets at fair value through profit or loss						
Interest income from a loan to a fellow subsidiary						
Dividends received from equity investments designated at fair value through other comprehensive income	–	26	–	–	–	–
Finance costs						
Share of profits less losses of associates	52,770	47,601	–	–	(10,461)	(3,154)
Net loss on distribution in specie						
Profit before tax from continuing operations						
Income tax expense						
Profit for the period from continuing operations						

Notes to Interim Financial Report

30 June 2025

3. Operating segment information (continued)

	Electric power generation		Hotel operation and management		Road and bridge	
	For the six months ended 30 June		For the six months ended 30 June		For the six months ended 30 June	
	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue from continuing operations:						
Revenue from external customers	610,859	629,462	336,393	315,188	300,740	322,488
Intersegment sales	158,798	175,101	149	–	–	–
Other income and gains from external sources	10,331	10,063	1	16	70,780	68,842
Other income from intersegment transactions	–	–	–	–	–	–
Total	779,988	814,626	336,543	315,204	371,520	391,330
Segment results from continuing operations	84,580	77,302	51,438	60,216	221,187	225,158
Bank interest income						
Interest income from other financial assets at amortised cost						
Interest income from financial assets at fair value through profit or loss						
Interest income from a loan to a fellow subsidiary						
Dividends received from equity investments designated at fair value through other comprehensive income	–	–	–	–	–	–
Finance costs						
Share of profits less losses of associates	18,264	54,800	–	–	–	–
Net loss on distribution in specie						
Profit before tax from continuing operations						
Income tax expense						
Profit for the period from continuing operations						

Notes to Interim Financial Report

30 June 2025

3. Operating segment information (continued)

	Others		Eliminations		Consolidated	
	For the six months ended 30 June		For the six months ended 30 June		For the six months ended 30 June	
	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue from continuing operations:						
Revenue from external customers	–	–	–	–	9,428,291	9,486,866
Intersegment sales	8,664	9,540	(213,375)	(230,335)	–	–
Other income and gains from external sources	–	8,223	–	–	119,216	138,696
Other income from intersegment transactions	1,611	4,117	(1,611)	(4,117)	–	–
Total	10,275	21,880	(214,986)	(234,452)	9,547,507	9,625,562
Segment results from continuing operations	(16,023)	(62,418)	(11,534)	1,309	4,235,330	4,138,917
Bank interest income					43,827	78,996
Interest income from other financial assets at amortised cost					40,587	6,399
Interest income from financial assets						
at fair value through profit or loss					52,123	3,915
Interest income from a loan to a fellow subsidiary					9,430	–
Dividends received from equity investments designated						
at fair value through other comprehensive income	–	–	–	–	–	26
Finance costs					(334,035)	(478,587)
Share of profits less losses of associates	–	–	–	–	60,573	99,247
Net loss on distribution in specie					(2,751)	–
Profit before tax from continuing operations					4,105,084	3,848,913
Income tax expense					(1,111,803)	(1,065,106)
Profit for the period from continuing operations					2,993,281	2,783,807

Notes to Interim Financial Report

30 June 2025

3. Operating segment information (continued)

Segment assets and liabilities:

	Water resources		Property investment		Department store operation		Electric power generation		Hotel operation and management	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	53,608,445	52,149,340	16,923,632	16,994,202	267,182	334,442	2,755,480	2,717,818	2,137,224	2,193,045
Unallocated assets										
Assets classified as held for distribution										
Total assets										
Segment liabilities	10,504,828	11,119,142	1,128,907	1,011,872	680,118	870,400	399,439	326,852	365,655	389,037
Unallocated liabilities										
Liabilities directly associated with assets classified as held for distribution										
Total liabilities										

Other segment information:

	For the six months ended 30 June 2025		For the six months ended 30 June 2025		For the six months ended 30 June 2025		For the six months ended 30 June 2025		For the six months ended 30 June 2025	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Exchange (losses)/gains, net	(14,552)	(1,998)	(44,616)	20,413	(1,303)	(3,177)	(6,572)	2,986	163	(74)

Notes to Interim Financial Report

30 June 2025

3. Operating segment information (continued)

Segment assets and liabilities: (continued)

	Road and bridge		Others		Eliminations		Consolidated	
	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Segment assets	5,033,391	5,073,350	35,658	38,936	(43,725)	(426,554)	80,717,287	79,074,579
Unallocated assets							16,380,197	15,857,755
Assets classified as held for distribution							-	40,663,069
Total assets							97,097,484	135,595,403
Segment liabilities	262,808	285,940	171,507	172,335	(31,624)	(71,703)	13,481,638	14,103,875
Unallocated liabilities							27,765,876	29,613,479
Liabilities directly associated with assets classified as held for distribution							-	35,202,576
Total liabilities							41,247,514	78,919,930

Other segment information: (continued)

	For the six months ended 30 June 2025		For the six months ended 30 June 2024		For the six months ended 30 June 2025		For the six months ended 30 June 2024 (Restated)	
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Exchange (losses)/gains, net	5,275	(2,388)	30,938	(9,721)	(871)	133	(31,538)	6,174

4. Revenue from continuing operations

Revenue represents income from water distribution, sewage treatment services, construction services, water pipeline installation and consultancy services and sale of machineries; the invoiced value of electricity and steam sold; the invoiced revenue arising from the sale of goods in department stores; commission income from concessionaire sales; management fee income; revenue from hotel operation; rental income; toll revenue; management and maintenance fee income, and finance income from service concession arrangements, during the period.

Notes to Interim Financial Report

30 June 2025

4. Revenue from continuing operations (continued)

Disaggregation of revenue is analysed as follows:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Restated)
	HK\$'000	HK\$'000
(a) Types of goods or services:		
<u>Water resources segment</u>		
Income from water distribution – Mainland China	2,283,572	2,203,364
Income from water distribution – Hong Kong	2,868,545	2,801,585
Income from sewage treatment services	471,227	506,781
Income from construction services	187,111	135,463
Income from water pipeline installation and consultancy services	737,464	672,385
Sale of machineries	216,672	334,400
<u>Property investment segment</u>		
Management fee income	123,854	111,788
<u>Department store operation segment</u>		
Commission income from concessionaire sales	71,825	175,285
Sale of goods	128,241	191,420
Management fee income	1,536	3,862
<u>Electric power generation segment</u>		
Sale of electricity and steam	610,859	629,462
<u>Hotel operation and management segment</u>		
Hotel income	315,621	292,751
Management fee income	4,304	5,325
<u>Road and bridge segment</u>		
Toll revenue	289,948	312,881
Management and maintenance fee income	10,792	9,607
<i>Revenue from contracts with customers</i>	8,321,571	8,386,359
<i>Revenue from other sources</i>		
Finance income from service concession arrangements	388,461	397,460
Rental income	718,259	703,047
Total revenue	9,428,291	9,486,866

Notes to Interim Financial Report

30 June 2025

4. Revenue from continuing operations (continued)

	For the six months ended 30 June 2025 (Unaudited) HK\$'000	2024 (Restated) (Unaudited) HK\$'000
(b) Geographical locations*:		
<u>Mainland China</u>		
Water resources segment	6,764,591	6,653,978
Property investment segment	123,854	111,788
Department store operation segment	201,602	370,567
Electric power generation segment	610,859	629,462
Hotel operation and management segment	219,137	195,763
Road and bridge segment	300,740	322,488
	8,220,783	8,284,046
<u>Hong Kong</u>		
Hotel operation and management segment	100,788	102,313
<i>Revenue from contracts with customers</i>	8,321,571	8,386,359
<i>Revenue from other sources</i>		
Finance income from service concession arrangements	388,461	397,460
Rental income	718,259	703,047
Total revenue	9,428,291	9,486,866

* The geographical location is based on the location of which the services were rendered or goods were delivered from.

Notes to Interim Financial Report

30 June 2025

5. Finance costs from continuing operations

An analysis of finance costs from continuing operations is as follows:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Restated)
	HK\$'000	(Unaudited) HK\$'000
Interest on bank and other borrowings	301,503	411,783
Interest on a loan from 廣東粵海控股集團有限公司 (Guangdong Holdings Limited ▲) ("Guangdong Holdings"), the Company's ultimate holding company	216	–
Interest on loans from fellow subsidiaries	31,726	50,220
Interest on loans from an associate	3,064	15,319
Interest on lease liabilities	7,426	14,212
Interest related to defined benefit obligations	418	1,265
Finance costs incurred	344,353	492,799
Less: Interest capitalised	(2,892)	–
Finance costs charged for the period	341,461	492,799

The capitalised interest rates applied to funds borrowed and used for the construction in progress and operating concession rights are between 2.45% and 2.76% per annum for the six months ended 30 June 2025 (2024: Nil (restated)).

Notes to Interim Financial Report

30 June 2025

6. Profit before tax from continuing operations

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

	For the six months ended 30 June 2025	2024
	(Unaudited) HK\$'000	(Restated) (Unaudited) HK\$'000
Bank interest income**	(43,827)	(78,996)
Interest income from other financial assets at amortised cost**	(40,587)	(6,399)
Interest income from financial assets at fair value through profit or loss**	(52,123)	(3,915)
Interest income from a loan to a fellow subsidiary**	(9,430)	–
Interest income from receivables under a cooperative arrangement**	(69,959)	(67,878)
Cost of inventories sold*	642,123	840,182
Cost of services rendered*	2,768,671	2,571,916
Depreciation of property, plant and equipment	365,054	412,498
Depreciation of right-of-use assets	38,254	32,585
Government subsidies***^	(40,241)	(27,807)
Amortisation of operating concession rights*	771,049	767,276
Amortisation of other intangible assets	17,239	17,477

* Included in "Cost of sales" on the face of the condensed consolidated statement of profit or loss.

** Included in "Other income and gains, net" on the face of the condensed consolidated statement of profit or loss.

*** Included in "Other operating income, net" on the face of the condensed consolidated statement of profit or loss.

^ The government subsidies recognised during the period mainly represented subsidies received from certain government authorities in respect of the fulfilment of certain specific criteria by the Group.

Notes to Interim Financial Report

30 June 2025

7. Income tax expense from continuing operations

Taxes on profits assessable in Mainland China have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates. Under the PRC Corporate Income Tax Law, enterprises are subject to corporate income tax at a rate of 25% (2024: 25%).

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period.

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Restated)
	HK\$'000	(Unaudited)
	HK\$'000	HK\$'000
Current – Mainland China		
Charge for the period	941,866	944,269
Under/(over)-provision in prior years	17,003	(7,283)
Current – Hong Kong		
Charge for the period	5,216	7,203
Deferred tax	147,718	120,917
Total tax charge for the period	1,111,803	1,065,106

Notes to Interim Financial Report

30 June 2025

8. Dividends

- (a) Dividends payable to shareholders of the Company attributable to the interim period:

	For the six months ended 30 June 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Interim – HK26.66 cents (2024: HK23.97 cents) per ordinary share	1,742,983	1,567,116

At a meeting of the board of directors held on 25 August 2025 (2024: 28 August 2024), the directors resolved to pay to shareholders of the Company an interim dividend of HK26.66 cents (2024: HK23.97 cents) per ordinary share for the six months ended 30 June 2025.

- (b) Dividends payable to shareholders of the Company attributable to the previous financial year, approved during the interim period:

	For the six months ended 30 June 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Final – HK7.27 cents (2024: HK12.33 cents) per ordinary share	475,300	806,113

- (c) On 9 December 2024, the Company's Board of Directors recommended the payment of a special dividend in the form of a distribution in specie of 1,261,799,537 shares of GD Land held directly by the Company to the shareholders of the Company, on a pro-rata basis, at the rate of 0.193 shares of GD Land for every one share of the Company held by the shareholders, conditional upon the passing of an ordinary resolution by the shareholders of the Company. On 8 January 2025, the resolution to approve the Proposed Distribution was passed by the shareholders of the Company. On 21 January 2025, a total of 1,261,799,423 GD Land shares (representing approximately 99.9% of GD Land shares held by the Company) was distributed to the shareholders.

Notes to Interim Financial Report

30 June 2025

9. Earnings/(loss) per share attributable to ordinary equity holders of the Company

The calculation of the basic earnings/(loss) per share amount is based on the profit/(loss) for the period attributable to ordinary equity holders of the Company arising from continuing operations and discontinued operations, respectively, and the weighted average number of ordinary shares in issue during the period.

The calculation of the basic and diluted earnings/(loss) per share is based on:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Earnings:		
Profit/(loss) attributable to ordinary equity holders of the Company used in the basic and diluted earnings per share calculation:		
– Continuing operations	2,698,784	2,473,445
– Discontinued operations	(17,051)	(62,460)
	2,681,733	2,410,985
	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	Number of shares	Number of shares
Shares:		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share calculation	6,537,821,440	6,537,821,440

No adjustment has been made to the basic earnings/(loss) per share amount presented for the periods ended 30 June 2025 and 2024 in the calculation of diluted earnings/(loss) per share as there were no potential dilutive ordinary shares during the periods ended 30 June 2025 and 2024.

Notes to Interim Financial Report

30 June 2025

10. Service concession arrangements

(a) Receivables under service concession arrangements

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Receivables under service concession arrangements	17,652,940	17,581,443
Less: Portion classified as current assets	(610,666)	(615,399)
Non-current portion	17,042,274	16,966,044

Receivables under service concession arrangements were due from the government authorities in Mainland China in respect of the Group's water distribution and sewage treatment operations.

- (b) As at 30 June 2025, bank and other loans of HK\$12,448,775,000 (31 December 2024: HK\$12,413,063,000) were secured by the pledge of revenue entitlement under certain water distribution, sewage treatment and toll road concession arrangements (note 14(c)).

(c) Contract assets

As at 30 June 2025, contract assets which were presented as operating concession rights and receivables under service concession arrangements amounted to HK\$743,521,000 (31 December 2024: HK\$573,548,000) and HK\$680,906,000 (31 December 2024: HK\$1,559,488,000), respectively.

Notes to Interim Financial Report

30 June 2025

11. Other financial assets at amortised cost

Other financial assets at amortised cost of the Group represent deposits placed by the Group in a number of licensed banks in the PRC with the principal sums denominated in Renminbi ("RMB") that will be matured within three years with principal protected upon the maturity dates.

12. Receivables, prepayments and other receivables

		30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
	Notes		
Trade and bills receivables, net of impairment	(i)	4,811,634	3,837,959
Other receivables		1,135,558	987,217
Prepayments and deposits		187,473	224,467
Contract assets		816,141	768,414
Due from the ultimate holding company	22(c)	70	69
Due from fellow subsidiaries	22(c)	193,599	107,447
Due from associates	22(c)	132,390	172,709
A loan to a fellow subsidiary	22(c)	548,300	–
		7,825,165	6,098,282
Less: Portion classified as non-current assets		(1,075,456)	(519,303)
Current portion		6,749,709	5,578,979

Note:

- (i) The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The various group companies have different credit policies, depending on the requirements of their markets and the businesses in which they operate. The Group seeks to maintain tight control over its outstanding receivables in order to minimise credit risk. Overdue balances are regularly reviewed by senior management. The Group's trade and bills receivables relate principally to the water distribution and sewage treatment businesses. The Group has a certain concentration of credit risk whereby 10% (31 December 2024: 8%) of the total trade and bills receivables was due from one customer. The Group does not hold any collateral or other credit enhancements over these balances. Trade and bills receivables are non-interest-bearing.

Notes to Interim Financial Report

30 June 2025

12. Receivables, prepayments and other receivables (continued)

Note: (continued)

(i) (continued)

An ageing analysis of the Group's trade and bills receivables as at the end of the reporting period, based on the payment due date and net of loss allowance, is as follows:

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Current or less than 3 months past due	2,967,878	2,282,981
3 months to 6 months past due	260,396	303,668
6 months to 1 year past due	575,230	661,312
More than 1 year past due	1,046,110	627,659
	4,849,614	3,875,620
Less: Loss allowance	(37,980)	(37,661)
	4,811,634	3,837,959

13. Payables, accruals and other liabilities and contract liabilities

	Notes	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Trade and bills payables	(i)	5,299,129	5,611,573
Accruals, other payables and other liabilities		5,481,053	5,685,071
Contract liabilities		1,123,595	1,339,525
Defined benefit obligations		72,045	78,747
Deferred revenue		338,817	339,717
Due to the immediate holding company	22(c)	5,036	11,177
Due to the ultimate holding company	22(c)	3,667	3,958
Due to fellow subsidiaries	22(c)	507,903	295,415
Due to associates	22(c)	14,844	35,419
		12,846,089	13,400,602
Less: Portion classified as non-current liabilities		(1,455,838)	(1,306,244)
Current portion		11,390,251	12,094,358

Notes to Interim Financial Report

30 June 2025

13. Payables, accruals and other liabilities and contract liabilities (continued)

Note:

- (i) An ageing analysis of the Group's trade and bills payables as at the end of the reporting period, based on the payment due date, is as follows:

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Within 3 months	5,297,002	5,590,197
3 months to 6 months	2,127	21,376
	5,299,129	5,611,573

Except for certain bills payables, the Group's payables, accruals and other liabilities are non-interest-bearing and are normally settled on 60-day terms.

14. Bank and other borrowings

	30 June 2025			31 December 2024		
	Effective interest rate	Maturity	(Unaudited) HK\$'000	Effective interest rate	Maturity	(Audited) HK\$'000
Current						
Bank loans – unsecured	1.50% – 4.00%	2025 – 2026	3,666,577	1.50% – 4.27%	2025	4,628,062
Bank loans – secured	1.85% – 3.85%	2025 – 2026	804,572	2.19% – 4.45%	2025	1,091,580
Other loans – unsecured	–	On demand	48,242	–	On demand	47,507
Other loans – unsecured	1.20% – 5.20%	2025 – 2026	404,264	1.20% – 5.20%	2025	1,563,026
			4,923,655			7,330,175
Non-current						
Bank loans – unsecured	1.50% – 3.50%	2026 – 2033	1,016,339	1.50% – 3.30%	2026 – 2033	1,681,282
Bank loans – secured	1.85% – 3.85%	2026 – 2049	12,302,163	2.19% – 4.45%	2026 – 2049	12,023,419
Other loans – unsecured	1.20% – 4.75%	2026 – 2052	2,771,938	1.20% – 4.75%	2026 – 2052	2,666,381
Other loans – unsecured	–	2026 – 2033	163,236	–	2026 – 2033	160,748
			16,253,676			16,531,830
Total bank and other borrowings			21,177,331			23,862,005

Notes to Interim Financial Report

30 June 2025

14. Bank and other borrowings (continued)

Notes:

- (a) As at 30 June 2025, all bank and other borrowings were denominated in Hong Kong dollars, except for bank and other loans of HK\$17,570,990,000 (31 December 2024: HK\$19,356,059,000) which were denominated in RMB.
- (b) As at 30 June 2025, a bank loan of HK\$657,960,000 (31 December 2024: HK\$701,936,000) was secured by pledges of 79% equity interest of a subsidiary.
- (c) As at 30 June 2025, bank and other loans of HK\$12,448,775,000 (31 December 2024: HK\$12,413,063,000) were secured by the pledge of revenue entitlement under certain water distribution, sewage treatment and toll road concession arrangements.
- (d) As at 30 June 2025, included in unsecured other borrowings represented a loan from Guangdong Holdings of HK\$71,060,000 (31 December 2024: Nil), loans from fellow subsidiaries of HK\$2,353,088,000 (31 December 2024: HK\$2,570,889,000) and loans from an associate of Nil (31 December 2024: HK\$917,915,000) (note 22(c)).

15. Share capital

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Issued and fully paid: 6,537,821,440 (31 December 2024: 6,537,821,440) ordinary shares	8,966,177	8,966,177

16. Reserves

The amounts of the Group's reserves and the movements therein for the current and prior periods are presented in the condensed consolidated statement of changes in equity of this unaudited interim financial report.

Notes to Interim Financial Report

30 June 2025

17. Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets 30 June 2025

	Equity investment at fair value through other comprehensive income (Unaudited) HK\$'000	Financial assets at amortised cost (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
Other financial assets at amortised cost	–	3,478,204	3,478,204
Receivables under a cooperative arrangement	–	2,051,262	2,051,262
Equity investments designated at fair value through other comprehensive income	16,997	–	16,997
Financial assets included in receivables under service concession arrangements	–	16,972,034	16,972,034
Financial assets included in receivables, prepayments and other receivables	–	5,675,802	5,675,802
Due from non-controlling equity holders of subsidiaries	–	907,190	907,190
Restricted bank balances	–	19,435	19,435
Cash and bank balances	–	12,035,983	12,035,983
	16,997	41,139,910	41,156,907

Notes to Interim Financial Report

30 June 2025

17. Financial instruments by category (continued)

Financial assets (continued)

31 December 2024

	Equity investments at fair value through other comprehensive income (Audited) HK\$'000	Financial assets at amortised cost (Audited) HK\$'000	Total (Audited) HK\$'000
Other financial assets at amortised cost	–	3,384,857	3,384,857
Receivables under a cooperative arrangement	–	2,170,334	2,170,334
Equity investments designated at fair value through other comprehensive income	16,738	–	16,738
Financial assets included in receivables under service concession arrangements	–	16,021,955	16,021,955
Financial assets included in receivables, prepayments and other receivables	–	4,532,990	4,532,990
Due from non-controlling equity holders of subsidiaries	–	887,425	887,425
Restricted bank balances	–	19,457	19,457
Cash and bank balances	–	12,154,029	12,154,029
	16,738	39,171,047	39,187,785
Included in assets classified as held for distribution:			
Equity investments designated at fair value through other comprehensive income	41,209	–	41,209
Financial assets included in receivables, prepayments and other receivables	–	61,509	61,509
Restricted bank balances	–	2,086,729	2,086,729
Cash and bank balances	–	1,324,980	1,324,980
	41,209	3,473,218	3,514,427

Notes to Interim Financial Report

30 June 2025

17. Financial instruments by category (continued)

Financial liabilities

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Financial liabilities included in payables, accruals and other liabilities	9,628,300	9,888,517
Due to non-controlling equity holders of subsidiaries	408,068	422,615
Bank and other borrowings	21,177,331	23,862,005
Lease liabilities	340,133	379,134
Dividend payables	475,300	–
	32,029,132	34,552,271
Included in liabilities directly associated with assets classified as held for distribution:		
Financial liabilities included in payables, accruals and other liabilities	–	2,845,555
Due to a non-controlling equity holder of a subsidiary	–	441,312
Bank and other borrowings	–	19,154,806
Lease liabilities	–	1,858
	–	22,443,531

Notes to Interim Financial Report

30 June 2025

18. Fair value hierarchy of financial instruments

Aside from other financial assets at amortised cost, the non-current portion of receivables under a cooperative arrangement, the non-current portion of financial assets included in receivables under service concession arrangements, the non-current portion of financial assets included in receivables, prepayments and other receivables, the non-current portion of financial liabilities included in payables, accruals and other liabilities, the non-current portion of bank and other borrowings, the non-current portion of lease liabilities and the equity investments designated at fair value through other comprehensive income, management has assessed that the fair values of the Group's financial assets and liabilities are not materially different from their carrying amounts as at 30 June 2025 and 31 December 2024 because of the immediate or short-term maturity of these financial instruments.

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of other financial assets at amortised costs, the non-current portion of receivables under a cooperative arrangement, the non-current portion of financial assets included in receivables under service concession arrangements, the non-current portion of financial assets included in receivables, prepayments and other receivables, the non-current portion of financial liabilities included in payables, accruals and other liabilities, the non-current portion of bank and other borrowings and the non-current portion of lease liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for bank and other borrowings as at 30 June 2025 and 31 December 2024 was assessed to be insignificant. The carrying amounts of these assets and liabilities approximate their fair values.

The fair value of unlisted equity investments designated at fair value through other comprehensive income has been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates.

Notes to Interim Financial Report

30 June 2025

19. Commitments

- (a) The Group had the following commitments at the end of the reporting period:

	Notes	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Commitments in respect of property, plant and equipment, investment properties, intangible assets and properties under development:			
Contracted for	(i)	2,592,600	8,861,296
Capital commitments in respect of capital contribution payable to an associate and an unlisted equity investment:			
Contracted for	(ii)	31,607	41,817
Commitments in respect of project financing payable to an associate:			
Contracted for	(iii)	1,725,790	1,699,508

Notes:

- (i) Included in the balance of 31 December 2024 was HK\$6,267,666,000 which represented commitments in respect of properties under development from GD Land.
- (ii) Included in the balance of 31 December 2024 was HK\$10,691,000 which represented the capital commitments in respect of capital contribution payable to an unlisted equity investment from GD Land.
- (iii) On 18 May 2019, the Company, Guangdong Yuehai Water Co., Ltd. ("Guangdong Yuehai Water"), 江蘇中和永泰建設工程有限公司 (Jiangsu Chunghe Yongtai Construction Engineering Co., Ltd. ▲) ("Jiangsu Chunghe Yongtai"), an independent third party, and China First Metallurgical Group Co. Ltd. ("CFMG"), an independent third party, successfully bid for the Yangtze River water diversion project in Xinghua, Jiangsu, the PRC (the "Xinghua Project"), which is owned as to 46% and 14.5% by the Company and Guangdong Yuehai Water, respectively. After taking into account the proportionate registered capital contribution from Guangdong Yuehai Water, Jiangsu Chunghe Yongtai and CFMG, the maximum amount (including registered capital and project financing and/or joint guarantees) for which the Company is responsible in respect of Xinghua Project is approximately RMB1,891 million (equivalent to approximately HK\$2,074 million).
- (b) On 8 June 2016, the Company entered into a cooperation agreement with 東莞市謝崗鎮人民政府 in respect of a public-private-partnership project (the "Yinping PPP Project") for the development of certain public roads which are not toll roads (the "Project Roads") in 銀瓶創新區 (Yinping Innovation Zone) in Dongguan, Guangdong, the PRC.

The Group shall be responsible for, inter alia, the provision of funding for the development of the Project Roads with the development costs not exceeding RMB4.754 billion (equivalent to approximately HK\$5.213 billion), and project management and maintenance of the Project Roads. At the end of the reporting period, the cumulative development costs in relation to the Yinping PPP Project amounted to RMB2,089,565,000 (equivalent to approximately HK\$2,291,417,000) (31 December 2024: RMB2,077,131,000 (equivalent to approximately HK\$2,243,094,000)).

Further details of the Yinping PPP Project are set out in the Company's announcements dated 8 June 2016 and 31 May 2023.

Notes to Interim Financial Report

30 June 2025

20. Discontinued operations

On 9 December 2024, the Company's Board of Directors recommended the Proposed Distribution as mentioned in note 1 to this interim financial report. The Proposed Distribution was completed on 21 January 2025. GD Land mainly engaged in the property development and investment businesses. For the period from 1 January 2025 to 21 January 2025, GD Land was classified as discontinued operations. With GD Land being classified as discontinued operations, the property development business is no longer included in note 3 to this interim financial report for operating segment information.

(a) The results of discontinued operations are as follows:

	For the period from 1 January 2025 to 21 January 2025 HK\$'000	For the six months ended 30 June 2024 HK\$'000
Revenue	251,831	2,803,824
Cost of sales	(224,774)	(2,642,274)
Gross profit	27,057	161,550
Other income and gains, net	77	21,434
Changes in fair value of investment properties	–	193
Selling and distribution expenses	(9,092)	(127,277)
Administrative expenses	(8,240)	(98,942)
Exchange differences, net	(19)	67
Other operating income, net	404	11,994
Finance costs	(22,250)	(153,754)
Loss before tax	(12,063)	(184,735)
Income tax (expense)/credit	(9,204)	66,710
Loss for the period from discontinued operations	(21,267)	(118,025)

(b) The cash flows of discontinued operations are as follows:

	For the period from 1 January 2025 to 21 January 2025 HK\$'000	For the six months ended 30 June 2024 HK\$'000
Cash flows generated from operating activities	267,758	1,291,772
Cash flows generated from/(used in) investing activities	260	(3,189)
Cash flows generated from/(used in) financing activities	537,478	(1,086,346)
Net cash flows	805,496	202,237

Notes to Interim Financial Report

30 June 2025

20. Discontinued operations (continued)

(c) Details of net assets of discontinued operations at date of distribution in specie are as follows:

	As at 21 January 2025 HK\$'000
Net assets distributed	
Property, plant and equipment	76,273
Investment properties	8,924,967
Right-of-use assets	11,133
Other intangible assets	17,690
Equity investments designated at fair value through other comprehensive income	41,209
Deferred tax assets	360,195
Properties held for sale under development	13,313,856
Completed properties held for sale	12,749,797
Tax recoverable	474,502
Receivables, prepayments and other receivables	1,416,691
Restricted bank balances	424,075
Cash and bank balances	2,176,240
Total assets	39,986,628
Payables, accruals and other liabilities	(3,975,051)
Contract liabilities	(9,748,600)
Tax payable	(439,999)
Due to a non-controlling equity holder of a subsidiary	(443,968)
Bank and other borrowings	(19,488,007)
Lease liabilities	(11,630)
Deferred tax liabilities	(1,720,393)
Total liabilities	(35,827,648)
Book value of net assets	4,158,980
Non-controlling interests	(1,820,770)
Fair value of GD Land Shares retained	(385)
Net loss on distribution in specie	(2,751)
Book value of net assets distributed	2,335,074

Notes to Interim Financial Report

30 June 2025

20. Discontinued operations (continued)

(d) Assets and liabilities held for distribution

The following assets and liabilities were reclassified as held for distribution in relation to the discontinued operations as at 31 December 2024:

	2024 HK\$'000
Assets classified as held for distribution	
Property, plant and equipment	76,517
Investment properties	8,871,756
Right-of-use assets	1,799
Other intangible assets	17,584
Equity investments designated at fair value through other comprehensive income	41,209
Deferred tax assets	355,939
Properties held for sale under development	12,652,159
Completed properties held for sale	13,456,794
Tax recoverable	383,662
Receivables, prepayments and other receivables	1,393,941
Restricted bank balances	2,086,729
Cash and bank balances	1,324,980
Total assets classified as held for distribution	40,663,069
Liabilities directly associated with assets classified as held for distribution	
Payables, accruals and other liabilities	(3,688,705)
Contract liabilities	(9,385,824)
Tax payable	(826,432)
Due to a non-controlling equity holder of a subsidiary	(441,312)
Bank and other borrowings	(19,154,806)
Lease liabilities	(1,858)
Deferred tax liabilities	(1,703,639)
Total liabilities directly associated with assets classified as held for distribution	(35,202,576)
Net assets directly associated with the disposal group	5,460,493
Accumulated income/(expense) recognised in other comprehensive income:	
Fair value reserve	3,559
Exchange fluctuation reserve	(428,511)
	(424,952)

Notes to Interim Financial Report

30 June 2025

21. Contingent liabilities

As at 30 June 2025, the Group provided guarantees to certain banks in respect of mortgages granted by banks relating to the mortgage loans arranged for purchasers of the Group's properties held for sale. Pursuant to the terms of the guarantees, upon default in mortgage payments by any of these purchasers, the Group is responsible for repaying the relevant outstanding mortgage principals together with the accrued interest and penalty owed by the defaulting purchasers to the banks, and the Group, is entitled but not limited to take over the legal titles and possession of the related properties. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon issuance of the real estate ownership certificates. As at 30 June 2025, the Group's outstanding guarantees amounted to HK\$1,007,000 (31 December 2024: HK\$4,714,446,000, of which HK\$4,709,488,000 were from GD Land) for these guarantees.

22. Related party transactions

In addition to the transactions and balances detailed elsewhere in this unaudited interim financial report, the Group had the following significant transactions with related parties during the period:

(a) Transactions with related parties

	Notes	For the six months ended 30 June	
		2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Rental income received from certain subsidiaries of Guangdong Holdings, and GDH Limited ("GDH") (the Company's immediate holding company)	(i)	21,356	16,511
Water resources related income received from fellow subsidiaries and associates	(ii)	98,708	66,900
Special dividend in the form of distribution in specie of GD Land shares paid to GDH and certain subsidiaries of GDH	(iii)	1,360,522	–
Dividends paid and payable to GDH and certain subsidiaries of GDH by GH Water Supply (Holdings) Limited	(iii)	–	115,635
Dividends paid and payable to GDH and certain of its subsidiaries by the Company	(iii)	276,932	465,425
Dividends payable to a fellow subsidiary	(iii)	138,944	–
Interest expenses charged by Guangdong Holdings	(iv)	8,314	55,597
Interest expenses charged by fellow subsidiaries	(v)	38,908	109,491
Interest expenses charged by an associate	(v)	3,064	15,319
Sale of electricity to fellow subsidiaries and associates	(vi)	105,864	93,300
Consultancy service fees paid to fellow subsidiaries and an associate	(vii)	47,824	78,383
Property management fees paid to fellow subsidiaries	(viii)	59,476	105,760
Hotel management fees received from fellow subsidiaries	(ix)	1,651	1,987
Interest income received from a fellow subsidiary	(x)	7,314	23,876
Interest income from a loan to a fellow subsidiary	(xi)	9,430	–

Notes to Interim Financial Report

30 June 2025

22. Related party transactions (continued)

(a) Transactions with related parties (continued)

Notes:

- (i) The rental income received was charged in accordance with the terms of respective tenancy agreements.
- (ii) The income on the supply of untreated water was received in accordance with the terms of respective agreements.
- (iii) The dividends paid and payable were made pursuant to the dividend rates proposed and declared at the respective boards of directors and shareholders' meetings.
- (iv) The interest expenses were charged at effective interest rates of 3.63% and 4.75% per annum (2024: 3.63% and 4.75% per annum). The interest expenses of HK\$8,098,000 (2024: HK\$55,597,000) were related to discontinued operations.
- (v) The interest expenses were charged at effective interest rates between RMB benchmark 1-year loan prime rate per annum announced by the People's Bank of China minus 1.15% to RMB benchmark 5-year loan prime rate per annum announced by the People's Bank of China minus 0.25% and 4.75% (2024: between RMB benchmark 1-year loan prime rate per annum announced by the People's Bank of China minus 1.15% to RMB benchmark 1-year loan prime rate per annum announced by the People's Bank of China plus 0.95% and 4.75%). The interest expenses of HK\$7,182,000 (2024: HK\$59,271,000) were related to discontinued operations.
- (vi) The income from the sale of electricity was in accordance with the terms of the respective agreements.
- (vii) The consultancy service fees were charged in accordance with the terms of the agreement entered into between the Group and respective fellow subsidiaries and an associate.
- (viii) The property management fees were charged in accordance with the terms of the agreements entered into between the Group and respective fellow subsidiaries.
- (ix) The hotel management fees were charged in accordance with the terms of agreements entered into between the Group and the respective fellow subsidiaries.
- (x) The interest income was arising from bank deposits placed at a non-banking financial institution in the PRC, which is a fellow subsidiary of the Group.
- (xi) The interest income was charged at interest rate of 4.2% (2024: Nil) per annum on the loan to a fellow subsidiary.

Notes to Interim Financial Report

30 June 2025

22. Related party transactions (continued)

(b) Commitments with related parties

The Group entered into several tenancy agreements, as lessor, with GDH and certain fellow subsidiaries of the Company (collectively, the “GDH Group”) for leasing out several units in Hong Kong and Mainland China as office premises. The total amounts received from the GDH Group for the period were included in note 22(a)(i) to the unaudited interim financial report. Details of the Group’s commitments with related parties are as follows:

As at 30 June 2025

	Year ending 30 June 2026 (Unaudited) HK\$'000	Year ending 30 June 2027 (Unaudited) HK\$'000	Year ending 30 June 2028 (Unaudited) HK\$'000
GDH	11,359	9,972	831
Fellow subsidiaries	13,143	7,714	430

As at 31 December 2024

	Year ending 31 December 2025 (Audited) HK\$'000	Year ending 31 December 2026 (Audited) HK\$'000	Year ending 31 December 2027 (Audited) HK\$'000
GDH	12,180	10,471	5,817
Fellow subsidiaries	6,934	4,673	2,760

Notes to Interim Financial Report

30 June 2025

22. Related party transactions (continued)

(c) Outstanding balances with related parties

		30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
	Notes		
Balances due from related parties included in cash and bank balances, receivables, prepayments and other receivables:			
Ultimate holding company	(i)	70	69
Fellow subsidiaries	(i)	98,358	93,805
Fellow subsidiaries	(ii)	95,241	13,642
Associates	(i)	106,715	145,928
Associates	(ii)	25,675	26,781
Deposits placed at a fellow subsidiary	(v)	1,149,517	1,126,680
A loan to a fellow subsidiary	(iii)	548,300	–
Balances due to related parties included in payables, accruals and other liabilities and other borrowings:			
Immediate holding company	(i)	5,036	11,177
Ultimate holding company	(i)	3,667	3,958
Fellow subsidiaries	(i)	401,674	198,254
Fellow subsidiaries	(ii)	106,229	97,161
Associates	(i)	5,491	30,186
An associate	(ii)	9,353	5,233
A loan from the ultimate holding company	(ix)	71,060	–
Loans from fellow subsidiaries	(iv)	2,353,088	2,570,889
Loans from an associate	(vii)	–	917,915
Balances due to related parties included in dividend payables:			
Immediate holding company	(viii)	276,932	–
Balances due from related parties included in assets classified as held for distribution:			
Immediate holding company	(i)	–	58
Ultimate holding company	(i)	–	1,296
Fellow subsidiaries	(i)	–	4,852
Fellow subsidiaries	(ii)	–	59
Deposits placed at a fellow subsidiary	(v)	–	5,232
Balances due to related parties included in liabilities directly associated with assets classified as held for distribution:			
Ultimate holding company	(i)	–	123,076
Fellow subsidiaries	(i)	–	587,113
Fellow subsidiaries	(ii)	–	4,932
Loans from the ultimate holding company	(vi)	–	4,040,986
Loans from fellow subsidiaries	(iv)	–	3,367,833

Notes to Interim Financial Report

30 June 2025

22. Related party transactions (continued)

(c) Outstanding balances with related parties (continued)

Notes:

- (i) The balances due are unsecured, non-interest-bearing and have no specific terms of repayment.
- (ii) The balances due are unsecured, non-interest-bearing and repayable within 30 days.
- (iii) The loan is unsecured, interest-bearing at an effective rate of 4.2% (31 December 2024: Nil) per annum and recoverable by 2029.
- (iv) The balance of HK\$2,353,088,000 (31 December 2024: HK\$5,938,722,000) represented loans from fellow subsidiaries which are unsecured and interest-bearing ranging from RMB benchmark 1-year loan prime rate minus 1.15% per annum announced by the People's Bank of China to 4.65% per annum (31 December 2024: ranging from RMB benchmark 1-year loan prime rate minus 1.15% per annum announced by the People's Bank of China to 4.75% per annum). These loans are repayable within 1 to 24 years. As at December 2024, these loans of HK\$3,367,833,000 were included in liabilities held for distribution.
- (v) The balance represented bank deposits placed at a fellow subsidiary, a non-banking financial institution in the PRC. The balance due is unsecured, with interest accrued at 50% higher than the RMB Agreed Deposit Rate offered by financial institutions as announced by the People's Bank of China.
- (vi) As at 31 December 2024, the loans were unsecured, interest-bearing at an effective interest rate of 3.63% per annum and repayable within 1 to 3 years.
- (vii) As at 31 December 2024, the loans were unsecured, interest-bearing at an effective interest rate of 3% per annum and repayable in one year. During the period ended 30 June 2025, the outstanding amounts were fully settled.
- (viii) As at 30 June 2025, the balances are unsecured, non-interest-bearing and repayable on 24 July 2025.
- (ix) The loan is unsecured, interest-bearing at an effective rate of 4.75% (31 December 2024: Nil) per annum and repayable within 2 years.

Notes to Interim Financial Report

30 June 2025

22. Related party transactions (continued)

(d) Compensation of key management personnel of the Group

	For the six months ended 30 June 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Short-term employee benefits	3,048	5,143
Post-employment benefits	92	701
Total compensation paid to key management personnel	3,140	5,844

23. Capital expenditure

During the six months ended 30 June 2025, the Group acquired items of property, plant and equipment, right-of-use assets and operating concession rights, in aggregate of approximately HK\$557,092,000 (2024: HK\$351,969,000).

24. Approval of the interim financial report

This unaudited interim financial report was approved and authorised for issue by the board of directors of the Company on 25 August 2025.

- ▲ The English name of the entity marked with a ▲ is a translation of its Chinese name, and is included herein for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.

Management Discussion and Analysis

RESULTS

The Group's unaudited consolidated profit attributable to owners of the Company for the six months ended 30 June 2025 (the "Period") amounted to HK\$2,682 million (2024: HK\$2,411 million), an increase of 11.2% as compared with the same period last year. Basic earnings per share was HK41.02 cents (2024: HK36.88 cents), increased by 11.2% as compared with the same period last year.

INTERIM DIVIDEND

The Board declares the payment of an interim dividend of HK26.66 cents per ordinary share for the Period (2024: HK23.97 cents).

FINANCIAL REVIEW

The unaudited consolidated revenue of the Group from continuing operations for the Period was HK\$9,428 million (2024: HK\$9,487 million (restated)), a decrease of 0.6% as compared with the same period last year. The decrease in revenue was mainly attributable to the decrease in revenue from department store operations, road and bridge business and electric power generation business.

The unaudited consolidated profit before tax from continuing operations for the Period increased by 6.7% to HK\$4,105 million (2024: HK\$3,849 million (restated)), mainly attributed to the saving on net finance costs; which offset the depreciation of Renminbi against Hong Kong dollars by 1.4% over the same period last year. The net loss arising from fair value adjustments for investment properties from continuing operations of the Group for the Period was HK\$3 million (2024: HK\$61 million (restated)), net exchange loss from continuing operations was HK\$32 million (2024: net exchange gain of HK\$6 million (restated)) and net finance costs from continuing operations was HK\$188 million (2024: HK\$389 million (restated)). The unaudited consolidated profit attributable to owners of the Company from continuing operations for the Period increased by 9.1% to HK\$2,699 million (2024: HK\$2,473 million (restated)). The unaudited consolidated profit attributable to owners of the Company for the Period increased by 11.2% to HK\$2,682 million (2024: HK\$2,411 million).

As at 30 June 2025, the unaudited total assets were HK\$97,097 million (31 December 2024: HK\$135,595 million (audited)), decreased by approximately HK\$38,498 million during the Period. The decrease in total assets was mainly attributable to the disposal of Guangdong Land Holdings Limited ("GD Land") during the Period. As at 30 June 2025, the unaudited equity attributable to owners of the Company was HK\$42,178 million (31 December 2024: HK\$41,658 million (audited)), increased by approximately HK\$520 million during the Period. The changes for the Period mainly represented the unaudited consolidated profit for the Period attributable to owners of the Company of HK\$2,682 million, 2024 final dividends distributed during the Period of HK\$475 million, the other comprehensive income of HK\$600 million in relation to the exchange differences on translation of foreign operations as a result of the appreciation of Renminbi and special dividend of HK\$2,335 million in the form of a distribution in specie of shares of GD Land held directly by the Company.

BUSINESS REVIEW

A summary of the performance of the Group's major businesses during the Period is set out as follows:

Water Resources

Dongshen Water Supply Project

The profit contribution from the Dongshen Water Supply Project continued to form a significant part of the Group's profit. As at 30 June 2025, the Company's interest in GH Water Supply (Holdings) Limited ("GH Water Holdings") was 96.04% (31 December 2024: 96.04%). GH Water Holdings holds a 99.0% (31 December 2024: 99.0%) interest in Guangdong Yue Gang Water Supply Company Limited, the owner of the Dongshen Water Supply Project.

Management Discussion and Analysis

The designed annual capacity of Dongshen Water Supply Project is 2.423 billion tons. Total volume of water supply to Hong Kong, Shenzhen and Dongguan during the Period amounted to 1.147 billion tons (2024: 1.159 billion tons), a decrease of 1.0%, which generated a revenue of HK\$3,506 million (2024: HK\$3,485 million), an increase of 0.6% over the same period last year.

The Hong Kong Water Supply Agreement for 2024 to 2026 (the “2024 to 2026 Water Supply Agreement”) between the Government of the Hong Kong Special Administrative Region and the Guangdong Provincial Government was signed on 27 December 2023. Pursuant to the 2024 to 2026 Water Supply Agreement, the annual basic water prices for the three years of 2024, 2025 and 2026 are HK\$5,136.24 million, HK\$5,259.00 million and HK\$5,384.69 million, respectively.

According to the water price deduction mechanism adopted and applicable for the years from 2021 to 2029, the annual basic water price shall be deducted based on the quantity of water supplied to Hong Kong which is conserved (i.e. the difference between the annual supply ceiling of 820 million tons and the actual quantity of water imported, with a minimum annual water supply quantity of 615 million tons from 2021 to 2026) in a particular year using a particular unit rate. The unit rates for each cubic metre of water supplied to Hong Kong which is conserved for the three years of 2024, 2025 and 2026 are HK\$0.315, HK\$0.323 and HK\$0.331, respectively. Average annual water supply quantity shall not be less than 700 million tons over the nine-year period from 2021 to 2029. If the actual water supply quantity deviates, the parties will further negotiate on the amount of water fee which has been excessively deducted, and to be payable by the Government of the Hong Kong Special Administrative Region to the Guangdong Provincial Government.

The revenue from water sales to Hong Kong for the Period increased by 2.4% to HK\$2,869 million (2024: HK\$2,802 million). The revenue from water sales to Shenzhen and Dongguan areas decreased by 6.7% to HK\$637 million (2024: HK\$683 million) during the Period. The profit before tax for the Period, excluding net exchange differences and net finance costs, of the Dongshen Water Supply Project was HK\$2,396 million (2024: HK\$2,325 million), 3.1% higher than that in the same period last year.

Other Water Resources Projects

Apart from the Dongshen Water Supply Project, the Group has a number of subsidiaries and associates which are principally engaged in water distribution, sewage treatment operation and waterworks construction in the mainland of the People’s Republic of China (the “PRC”) (“Mainland China”).

During the Period, the Group successfully bid for a new water resources project located in Maoming City, Guangdong Province. The total designed waste water processing capacity is 194,000 tons per day and the expected total investment amount is approximately RMB400 million (equivalent to approximately HK\$439 million).

The total designed water supply capacity of the water supply plants and the total designed waste water processing capacity of the sewage treatment plants of the Group’s Other Water Resources Projects as at 30 June 2025 were 16,595,200 tons per day (31 December 2024: 16,150,200 tons per day) and 3,094,900 tons per day (31 December 2024: 3,345,900 tons per day), respectively.

The water supply capacity of the water supply plants and the waste water processing capacity of the sewage treatment plants operated by the subsidiaries and associates of the Group as at 30 June 2025 were 10,836,800 tons per day (30 June 2024: 10,736,800 tons per day) and 2,297,900 tons per day (30 June 2024: 2,054,400 tons per day), respectively. In addition, the water supply capacity of the water supply plants under construction by the subsidiaries of the Group as at 30 June 2025 were 1,187,000 tons per day.

Management Discussion and Analysis

Capacity of Water Resources Projects in Operation

The water supply capacity of the water supply plants and the waste water processing capacity of the sewage treatment plants operated by each of the subsidiaries and associates of the Group are as follows:

Name of subsidiaries of the Group	Water supply capacity (tons per day)	Waste water processing capacity (tons per day)
東莞市清溪粵海水務有限公司 (Dongguan Qingxi Guangdong Water Co., Ltd.▲)	290,000	—
梅州粵海水務有限公司(Meizhou Guangdong Water Co., Ltd.▲)	310,000	250,000
儀征粵海水務有限公司(Yizheng Yuehai Water Supply Co., Ltd.▲)	150,000	—
Gaoyou GDH Water Co., Ltd.	150,000	—
Baoying GDH Water Co., Ltd.	130,000	—
海南儋州粵海自來水有限公司 (Hainan Danzhou Guangdong Tap Water Co., Ltd.▲)	150,000	3,500
梧州粵海江河水務有限公司(Wuzhou Guangdong Jianghe Water Co., Ltd.▲)	310,000	—
Zhaoqing HZ GDH Water Co., Ltd.	130,000	—
遂溪粵海水務有限公司(Suixi Guangdong Water Co., Ltd.▲)	70,000	—
海南儋州粵海水務有限公司(Hainan Danzhou Guangdong Water Co., Ltd.▲)	100,000	20,000
豐順粵海水務有限公司(Fengshun Guangdong Water Co., Ltd.▲)	123,500	—
盱眙粵海水務有限公司(Xuyi Guangdong Water Co., Ltd.▲)	150,000	—
Wuzhou GDH Environmental Protection Development Co., Ltd.	—	140,000
東莞市常平粵海環保有限公司 (Dongguan Changping Guangdong Huanbao Co., Ltd.▲)	—	70,000
開平粵海水務有限公司(Kaiping Guangdong Water Co., Ltd.▲)	—	75,000
五華粵海環保有限公司(Wuhua Guangdong Huanbao Co., Ltd.▲)	—	66,000
東莞市道滘粵海環保有限公司 (Dongguan Daojiao Guangdong Huanbao Co., Ltd.▲)	—	40,000
汕尾粵海環保有限公司(Shanwei Guangdong Huanbao Co., Ltd.▲)	—	30,000
高州粵海水務有限公司(Gaozhou Guangdong Water Co., Ltd.▲)	100,000	—
江西粵海公用事業集團有限公司 (Jiangxi Guangdong Public Utilities Holdings Co., Ltd.▲) and its subsidiaries	801,500	—
浙江博華環境技術工程有限公司 (Zhejiang Bohua Environmental Technology Engineering Co., Ltd.▲) and its subsidiaries	—	81,000
六盤水粵海環保有限公司(Liupanshui Guangdong Huanbao Co., Ltd.▲)	—	115,000
昆明粵海水務有限公司(Kunming Guangdong Water Co., Ltd.▲)	24,000	20,000
雲浮粵海水務有限公司(Yunfu Guangdong Water Co., Ltd.▲)	50,000	—
大埔粵海環保有限公司(Dapu Guangdong Huanbao Co., Ltd.▲)	—	21,900
韶關粵海綠源環保有限公司 (Shaoguan Guangdong Luyuan Huanbao Co., Ltd.▲)	—	28,500
陽山粵海環保有限公司(Yangshan Guangdong Huanbao Co., Ltd.▲)	—	11,300
雲浮市粵海水務自來水有限公司 (Yunfu City Guangdong Water Supply Co., Ltd.▲)	100,000	—
雲浮市粵海水務發展有限公司 (Yunfu City Guangdong Water Development Co., Ltd.▲)	—	145,000
陽江粵海環保有限公司(Yangjiang Guangdong Huanbao Co., Ltd.▲)	—	20,000
揭陽粵海水務有限公司(Jieyang Guangdong Water Co., Ltd.▲)	560,000	—

Management Discussion and Analysis

Name of subsidiaries of the Group	Water supply capacity (tons per day)	Waste water processing capacity (tons per day)
普寧粵海水務有限公司(Puning Guangdong Water Co., Ltd.▲)	500,000	–
潮州市粵海環保有限公司(Chaozhou Guangdong Huanbao Co., Ltd.▲)	–	20,000
廣東粵海韶投水務有限責任公司(Guangdong Shaotou Water Co., Ltd.▲)	674,000	–
吳川粵海環保有限公司(Wuchuan Guangdong Huanbao Co., Ltd.▲)	–	25,000
平遠粵海水務有限公司(Pingyuan Guangdong Water Co., Ltd.▲)	40,000	–
河北粵海水務集團有限公司		
(Hebei Guangdong Water Group Co., Ltd.▲) and its subsidiaries	10,000	468,000
邳州粵海水務有限公司(Pizhou Guangdong Water Co., Ltd.▲)	250,000	–
惠來粵海清源環保有限公司		
(Huilai Guangdong Qingyuan Huanbao Co., Ltd.▲)	–	8,500
惠來粵海綠源環保有限公司(Huilai Guangdong Luyuan Huanbao Co., Ltd.▲)	–	20,000
信宜粵海水務有限公司(Xinyi Guangdong Water Co., Ltd.▲)	234,200	–
揭西粵海水務有限公司(Jiexi Guangdong Water Co., Ltd.▲)	80,000	–
五華粵海碧源環保有限公司		
(Wuhua Guangdong Biyuan Huanbao Co., Ltd. ▲)	–	40,000
雲浮市雲安粵海城鄉供水有限公司(Yunfu City Yunan Guangdong Urban and Rural Water Supply Co., Ltd. ▲)	24,600	–
河源市粵海水務有限公司(Heyuan City Guangdong Water Co., Ltd.▲)	300,000	–
無錫德寶水務投資有限公司(Wuxi Debao Water Investment Co., Ltd. ▲)	–	225,700
汕尾粵海水務有限公司(Shanwei Guangdong Water Co., Ltd.▲)	245,000	–
東莞常平粵海水務有限公司		
(Dongguan Changping Guangdong Water Co., Ltd.▲)	280,000	–
中山市新涌口粵海水務有限公司		
(Zhongshan City Xinyongkou Guangdong Water Co., Ltd.▲)	120,000	–
中山市橫欄粵海水務有限公司		
(Zhongshan City Henglan Guangdong Water Co., Ltd.▲)	140,000	–
中山市南鎮粵海水務有限公司		
(Zhongshan City Nanzhen Guangdong Water Co., Ltd.▲)	130,000	–
清遠市龍塘粵海水務有限公司		
(Qingyuan City Longtang Guangdong Water Co., Ltd.▲)	50,000	–
Guangzhou Nansha GDH Water Co., Ltd.	550,000	–
湛江市鶴地供水營運有限公司		
(Zhanjiang Hedi Water Supply Operation Co., Ltd.▲)	1,060,000	–
湘陰粵海水務有限公司(Xiangyin Guangdong Water Co., Ltd.▲)	100,000	–
恩施粵海水務有限公司(Enshi Guangdong Water Co., Ltd.▲)	400,000	–
汕尾粵海清源環保有限公司		
(Shanwei Guangdong Qingyuan Huanbao Co., Ltd.▲)	–	100,000
開平粵海淨水有限公司(Kaiping Guangdong Water Purification Co., Ltd.▲)	–	25,000
邳州粵海環保有限公司(Pizhou Guangdong Huanbao Co., Ltd.▲)	–	34,500
茂名粵海環保有限公司(Maoming Guangdong Huanbao Co., Ltd.▲)	–	194,000
Total as at 30 June 2025	8,886,800	2,297,900
Total as at 30 June 2024	8,786,800	2,054,400

Management Discussion and Analysis

Name of associates of the Group	Water supply capacity (tons per day)
Foundation Gang-Wu (Changzhou) Water Supply Co., Ltd.	600,000
汕頭市粵海水務有限公司(Shantou Guangdong Water Co., Ltd. ▲)	920,000
興化粵海水務有限公司(Xinghua Guangdong Water Co., Ltd. ▲)	430,000
Total as at 30 June 2025	1,950,000
Total as at 30 June 2024	1,950,000

Capacity of Water Resources Projects under Construction

The water supply capacity of the water supply plants under construction by each of the subsidiaries of the Group as at 30 June 2025 were as follows:

Name of subsidiaries of the Group	Water supply capacity (tons per day)
荔浦粵海水務有限公司(Lipu Guangdong Water Co., Ltd.▲)	80,000
揭陽粵海國業水務有限公司(Jieyang Guangdong Guoye Water Co., Ltd.▲)	270,000
汕尾粵海供水有限公司(Shanwei Guangdong Water Supply Co., Ltd.▲)	410,000
Guangzhou Nansha GDH Water Co., Ltd.	200,000
江西粵海公用事業集團有限公司 (Jiangxi Guangdong Public Utilities Holdings Co., Ltd.▲) and its subsidiaries	177,000
Zhaoqing HZ GDH Water Co., Ltd.	50,000
Total	1,187,000

Revenue of Other Water Resources Projects for the Period in aggregate increased by 2.3% to HK\$3,680,319,000 (2024: HK\$3,596,779,000), of which income from construction services amounted to HK\$187,111,000 (2024: HK\$135,463,000). Profit before tax of Other Water Resources Projects for the Period, excluding net exchange differences and net finance costs, amounted to HK\$1,079,398,000 (2024: HK\$1,150,568,000), 6.2% lower than that in the same period last year.

Management Discussion and Analysis

Property Investment

Mainland China

GDH Teem

As at 30 June 2025, the Group held an effective interest of 76.13% (31 December 2024: 76.13%) in 廣東粵海天河城(集團)股份有限公司 (GDH Teem (Holdings) Limited▲) (“Guangdong Teem”) and its subsidiaries, and held an effective interest of 76.02% (31 December 2024: 76.02%) in Tianjin YueHai Teem Shopping Center Co., Ltd. (collectively the “GDH Teem”). GDH Teem operates several shopping malls in Mainland China, of which Teem Plaza, Panyu Teemmall, Guangzhou Comic City and Tianjin Teemmall are owned by GDH Teem whereas Shenzhen Teemmall and 粵海天地 (Yuehai Tiandi▲) are operated under lease arrangements.

Revenue of GDH Teem’s property investment business mainly comprises rental income (including rentals from the department stores operated by the Group). The revenue of GDH Teem’s property investment business for the Period increased by 3.6% to HK\$821,509,000 (2024: HK\$793,223,000), which was mainly due to the increase in average rental and increase in occupancy rate of certain properties. The profit before tax, excluding changes in fair value of investment properties and net interest income, of GDH Teem’s property investment business for the Period increased by 9.7% to HK\$491,600,000 (2024: HK\$448,306,000).

The revenue of GDH Teem’s property investment business during the Period was as follows:

	Area for lease sq.m.	Average occupancy rate %	Revenue for the six months ended 30 June		Changes
			2025 HK\$'000	2024 HK\$'000	%
Teem Plaza – Teemmall	107,000	99.5	352,146	349,486	+0.8
Teem Plaza – TeemTower	88,000	79.9	74,837	87,397	-14.4
Panyu Teemmall	144,000	95.5	139,411	120,017	+16.2
Tianjin Teemmall	145,000	95.8	144,924	140,127	+3.4
Guangzhou Comic City	23,000	99.8	40,626	44,557	-8.8
Shenzhen Teemmall	104,000	93.4	47,457	32,088	+47.9
粵海天地(Yuehai Tiandi▲)	19,000	93.3	22,108	19,551	+13.1
	630,000		821,509	793,223	+3.6

Management Discussion and Analysis

Hong Kong *Guangdong Investment Tower*

The average occupancy rate of Guangdong Investment Tower for the Period was 93.3% (2024: 96.4%). The total revenue for the Period decreased by 3.0% to HK\$23,852,000 (2024: HK\$24,585,000).

Department Store Operation

As at 30 June 2025, the Group operated five department stores (31 December 2024: five) with a total leased area of approximately 95,840 sq.m. (31 December 2024: 95,940 sq.m.). The total revenue for the Period decreased by 44.4% to HK\$216,529,000 (2024: HK\$389,592,000). The profit before tax for the Period, excluding changes in fair value of investment properties, increased by 18.5% to HK\$45,828,000 (2024: HK\$38,669,000).

The revenue of the department stores operated by the Group for the Period was as follows:

	Leased area sq.m.	Revenue for the six months ended 30 June		Changes %
		2025 HK\$'000	2024 HK\$'000	
Teemmall Store	41,500	156,746	309,523	-49.4
Wan Bo Store	17,100	19,687	23,134	-14.9
Dong Pu Store	15,600	20,320	25,045	-18.9
Ao Ti Store	21,500	19,654	20,892	-5.9
Hua Du Store (closed in November 2024)	—	—	10,956	-100.0
TeemLife (opened in May 2024)	140	122	42	+100.0
	95,840	216,529	389,592	-44.4

Management Discussion and Analysis

Hotel Ownership, Operation and Management

As at 30 June 2025, the Group's hotel management team managed a total of 17 hotels (31 December 2024: 19 hotels), of which four were located in Hong Kong and 13 in Mainland China. As at 30 June 2025, seven hotels, of which three in Hong Kong, two in Zhuhai and one in each of Shenzhen and Guangzhou, were operated by the Group (six of them were owned by the Group). Of these seven hotels, five were managed by our hotel management team whereas Holiday Inn Zhuhai City Center located in Zhuhai was operated under franchise arrangement and Sheraton Guangzhou Hotel located in Guangzhou was managed by another hotel management group. In the fourth quarter of 2024, the Group leased the property located at 181 Connaught Road West, Hong Kong to operate and manage Oasis Aurum 181 Hotel. The hotel opened in mid-December 2024.

During the Period, the average room rate of Sheraton Guangzhou Hotel was HK\$1,257 (2024: HK\$1,291) whereas the average room rate of the remaining six hotels was HK\$725 (2024 five hotels: HK\$698). The average occupancy rate of Sheraton Guangzhou Hotel was 93.8% (2024: 93.4%) and that of the other six hotels was 72.8% (2024 five hotels: 68.3%) during the Period.

The revenue of hotel ownership, operation and management business for the Period increased by 6.8% to HK\$336,542,000 (2024: HK\$315,188,000). The profit before tax for the Period, excluding changes in fair value of investment properties and net exchange differences, amounted to HK\$51,058,000 (2024: HK\$63,655,000), 19.8% lower than that in the same period last year.

Energy Projects

GDH Energy Project

Zhongshan Power (Hong Kong) Limited, a subsidiary of the Company, holds 75% (31 December 2024: 75%) interest in 中山粤海能源有限公司 (Zhongshan GDH Energy Co., Ltd.▲) ("GDH Energy"). GDH Energy has two power generation units with a total installed capacity of 600 MW. Sales of electricity during the Period amounted to 1,679 million kwh (2024: 1,362 million kwh), increased by 23.3%. Due to the mixed impact of the increase in sales of electricity, decrease in electricity tariff and the drop of exchange rate of Renminbi against Hong Kong dollars of 1.4% over the same period last year, revenue of GDH Energy Project (including intersegment sales) generated from electricity sales and related operations for the Period decreased by 4.3% to HK\$769,657,000 (2024: HK\$804,563,000). The profit before tax of GDH Energy for the Period, excluding net finance costs, was HK\$91,177,000 (2024: HK\$74,338,000), an increase of 22.7%.

Guangdong Yudean Jinghai Power Generation Co., Ltd. ("Yudean Jinghai Power")

The Group's effective interest in Yudean Jinghai Power is 25% (31 December 2024: 25%). As at 30 June 2025, Yudean Jinghai Power had four power generation units with a total installed capacity of 3,200 MW. Sales of electricity for the Period amounted to 6,216 million kwh (2024: 6,867 million kwh), a decrease of 9.5%. Due to the decrease in sales of electricity and electricity tariff, revenue for the Period decreased by 26.2% to HK\$2,402,480,000 (2024: HK\$3,255,091,000). The profit before tax of Yudean Jinghai Power for the Period was HK\$101,217,000 (2024: HK\$293,208,000). The Group's share of profit in Yudean Jinghai Power amounted to HK\$18,264,000 (2024: HK\$54,800,000) during the Period.

Management Discussion and Analysis

Road and Bridge

Xingliu Expressway

廣西粵海高速公路有限公司 (Guangxi GDH Highway Co., Ltd.▲) (“GDH Highway”) is principally engaged in the operation of the Xingliu Expressway. The Xingliu Expressway comprises a main line which is approximately 100 km in length and three connection lines (to Xingye, Guigang and Hengzhou) with an aggregate length of approximately 53 km.

The average daily toll traffic flow of the Xingliu Expressway decreased by 9.3% to 24,457 vehicle trips (2024: 26,954 vehicle trips). The toll revenue of GDH Highway during the Period amounted to HK\$289,948,000 (2024: HK\$312,881,000), decreased by 7.3%. The profit before tax during the Period, excluding net finance costs, amounted to HK\$147,110,000 (2024: HK\$161,899,000), decreased by 9.1%.

Yinping Project

In 2016, the Company entered into a cooperation agreement with 東莞市謝崗鎮人民政府 (Dongguan City Xiegang Town People’s Government) (the “Xiegang Government”) in respect of a public-private-partnership project (the “Yinping Project”) for the development of certain A-grade highways, connecting roads and municipal roads (not being toll roads) (each a “Project Road” and together, the “Project Roads”) and the related ancillary support services such as drainage, greening and lighting in 銀瓶創新區 (Yinping Innovation Zone) in Dongguan, Guangdong Province, the PRC. Each Project Road will be budgeted for and developed separately and subject to the approval of the Xiegang Government. The Company had established Dongguan Yuehai Yinping Development and Construction Limited (“Yuehai Yinping”), a wholly-owned subsidiary of the Company, to perform the Company’s obligations in the Yinping Project.

On 31 May 2023, Yuehai Yinping and the Xiegang Government entered into a supplemental agreement, pursuant to which the cooperation agreement was supplemented and amended to the effect that payments to be made for the Yinping Project would be subject to performance assessment. Details of the assessment were set out in the announcement of the Company published on 31 May 2023.

As at 30 June 2025, four Project Roads (31 December 2024: four Project Roads) were completed and one Project Road (31 December 2024: one Project Road) was under construction. As at 30 June 2025, the cumulative development costs in relation to the Yinping Project amounted to approximately RMB2,090 million (equivalent to approximately HK\$2,291 million) (31 December 2024: approximately RMB2,077 million (equivalent to approximately HK\$2,243 million)).

The total interest, management fee and maintenance fee of the Yinping Project recognised during the Period increased by 4.2% to HK\$80,750,000 (2024: HK\$77,486,000) and profit before tax increased by 5.0% to HK\$68,984,000 (2024: HK\$65,726,000) during the Period.

Management Discussion and Analysis

DISCONTINUED OPERATIONS

On 9 December 2024, the Company's Board of Directors recommended the payment of a special dividend in the form of a distribution in specie of shares of GD Land held directly by the Company ("Proposed Distribution"), conditional upon the passing of an ordinary resolution by the shareholders of the Company. On 8 January 2025, the resolution to approve the Proposed Distribution was passed by the shareholders of the Company. On 21 January 2025, a total of 1,261,799,423 GD Land shares (representing approximately 99.9% of GD Land shares held by the Company) was distributed to the shareholders by the Company and GD Land ceased to be a subsidiary of the Company thereafter. The consolidated results of GD Land for the period ended 21 January 2025 were presented in this interim financial report as discontinued operations.

For the period ended 21 January 2025, revenue of GD Land for the Period decreased by 91.0% to HK\$251,831,000 (six months ended 30 June 2024: HK\$2,803,824,000), of which income from sales of properties amounted to HK\$247,894,000 (six months ended 30 June 2024: HK\$2,778,718,000). The net gain arising from fair value adjustments for investment properties for the period ended 21 January 2025 was nil (six months ended 30 June 2024: HK\$193,000). The loss before tax of GD Land for the period ended 21 January 2025 was HK\$9,516,000 (six months ended 30 June 2024: HK\$282,564,000). The profit before tax of GD Land for the period ended 21 January 2025, excluding changes in fair value of investment properties and net finance costs, was HK\$13,454,000 (six months ended 30 June 2024: loss before tax of HK\$105,005,000).

OTHER FINANCIAL ASSETS AT AMORTISED COST

As at 30 June 2025, other financial assets at amortised cost of the Group were HK\$3,478 million (31 December 2024: HK\$3,385 million), which represent deposits placed by the Group in a number of licensed banks in the PRC with the principal sums denominated in Renminbi that will be matured within three years with principal protected upon the maturity dates.

LIQUIDITY, GEARING AND FINANCIAL RESOURCES

As at 30 June 2025, cash and bank balances of the Group from continuing operations decreased by HK\$118 million to HK\$12,036 million (31 December 2024: HK\$12,154 million), of which 97.7% was denominated in Renminbi and 2.3% in Hong Kong dollars.

As at 30 June 2025, the Group's financial borrowings from continuing operations (17.0% was denominated in Hong Kong dollars and 83.0% in Renminbi) were HK\$21,177 million (31 December 2024: HK\$23,862 million), of which borrowings denominated in Hong Kong dollars were HK\$3,600 million (31 December 2024: HK\$4,500 million), including loans from the ultimate holding company, fellow subsidiaries and an associate of HK\$2,424 million (31 December 2024: HK\$3,489 million). Of the Group's total financial borrowings from continuing operations, HK\$4,924 million is repayable within one year while the remaining balances of HK\$5,683 million and HK\$10,570 million are repayable within two to five years and beyond five years from the end of the reporting period, respectively. Furthermore, the interest rate structure of the Group's total financial borrowings from continuing operations consisted of 95.4% floating rate borrowings, 3.7% fixed rate borrowings and 0.9% non-interest-bearing borrowings as at 30 June 2025.

Management Discussion and Analysis

The Group maintained a credit facility from continuing operations of HK\$9,473 million as at 30 June 2025 (31 December 2024: HK\$9,349 million).

As at 30 June 2025, the Group's gearing ratio from continuing operations (i.e. net financial indebtedness/net asset value (excluded non-controlling interests)) was 24.7% (31 December 2024: 30.9%). The Group was in a healthy debt servicing position with the EBITDA/finance cost incurred as at 30 June 2025 being 16.2 times (31 December 2024: 10.5 times).

Net cash inflows from operating activities for the Period amounted to approximately HK\$3,339 million (2024: HK\$4,876 million). GD Land recorded net cash inflows from operating activities for the period ended 21 January 2025 which amounted to approximately HK\$268 million (2024: HK\$1,292 million). The existing cash resources of the Group, together with steady cash flows generated from the Group's operations, are sufficient to meet the Group's payment obligation and business requirements.

PLEDGE OF ASSETS AND CONTINGENT LIABILITIES

As at 30 June 2025, except for (i) bank deposits of Nil (31 December 2024: HK\$1,619 million, of which HK\$1,619 million were from GD Land); (ii) certain property assets of Nil (31 December 2024: HK\$9,599 million, of which HK\$9,599 million were from GD Land); (iii) certain revenue entitlement under service concession arrangements of water distribution, sewage treatment and toll road operations as security for bank and other loans of HK\$12,449 million (31 December 2024: HK\$12,413 million); (iv) equity interest in a subsidiary of the Group, which were pledged to secure certain bank and other loans, none of the property, plant and equipment, concession rights for water distribution, sewage treatment and toll road operations (comprising operating concession rights and receivables under service concession agreements) were pledged to secure bank and other loans granted to the Group.

Except for the guarantees made to certain banks in relation to the mortgages of properties sold of HK\$1 million (31 December 2024: HK\$4,714 million, of which HK\$4,709 million were from GD Land) as disclosed in note 21 of this interim financial report, there was no other material contingent liability as at 30 June 2025 and 31 December 2024.

CAPITAL EXPENDITURE

The Group's capital expenditure during the Period amounted to HK\$566 million (2024: HK\$445 million) which was principally related to additions to property, plant and equipment and leasehold land, the construction cost for water supply and sewage treatment plants (including operating concession rights and receivables under service concession arrangements).

Management Discussion and Analysis

EXPOSURE TO FLUCTUATIONS IN EXCHANGE AND INTEREST RATES AND RELATED HEDGES

As at 30 June 2025, total Renminbi borrowings from continuing operations amounted to HK\$17,571 million (31 December 2024: HK\$19,356 million). Exchange rate risk may result from the fluctuation of RMB exchange rate. The Group did not use derivative financial instruments to hedge its foreign currency risk as there is a natural hedging mechanism. Meanwhile, the Group dynamically monitored the foreign exchange exposure and made necessary adjustments in accordance with the change in market environment.

As at 30 June 2025, the Group's total floating rate borrowings from continuing operations amounted to HK\$20,193 million (31 December 2024: HK\$21,975 million). Interest rate risk may result from the fluctuations in bank and other loan interest rate. The Group did not use interest rate hedging to manage its interest rate risk. The Group would continue to review the market trend as well as its business operation's needs, so as to arrange the most effective risk management tools.

PRINCIPAL RISKS AND UNCERTAINTIES

Macroeconomic Risk

As a diversified conglomerate with investments in different business segments, the financial conditions and operating results of the Company are inextricably linked to the macroeconomic environment.

Internationally, factors such as the substantial increase in trade barriers due to U.S. tariff policies, escalating geopolitical conflicts, and weakening business and consumer confidence have heightened uncertainty regarding economic recovery prospects. Domestically, as policy effects gradually materialize, the macroeconomy has generally maintained a stable and progressive long-term development trend. Consequently, the Company will closely monitor changes in macroeconomic conditions, capital markets and business operating environments, and provide regular market updates to management according to existing company procedures in order to ensure effective implementation of the Company's development strategies.

Foreign Currency Risk

As the Company's business operations are principally located in Mainland China, the Company faces foreign currency risks due to exchange gain/loss from exchange rate fluctuations as well as currency conversion risk due to converted net asset value fluctuations of investment projects in Mainland China. To effectively manage foreign currency risk, the Company closely monitors foreign exchange markets, and utilises multiple strategic approaches, such as optimising cash management strategy and adjusting project finance instruments, to contain foreign exchange risk.

Market Competition Risk

As market competition intensifies, the Company faces difficulties in its expansion efforts and further decline in project investment returns in the sectors it operates in. In this regard, the Company seeks to explore new sources of revenue and reduce operating costs through optimizing products, improving efficiency, strengthening project management teams, and implementing precision management measures, thereby continuously enhancing project profitability.

Management Discussion and Analysis

Project Safety Management Risk

Project safety management primarily encompasses product safety risks and personnel safety risks. To address product safety risks, the Company has standardized, proceduralized, and institutionalized risk control measures to facilitate consistent implementation. Additionally, it reinforces quality control at the source through regular inspections of production sites to prevent potential hazards. The Company also proactively accepts market supervision and promptly rectifies identified issues to prevent escalation.

Regarding personnel safety risks, each of the Company's investment projects has established a comprehensive safety responsibility system tailored to its operational needs, clarifying specific duties and divisions of labor, along with corresponding evaluation mechanisms. Building on this framework, the Company conducts regular safety training for employees while continuously refining emergency response protocols to ensure effective risk control.

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2025, the Group had a total of 10,180 employees (31 December 2024: 10,759 employees, of which 376 were employed by GD Land). Among the employees, 9,933 were employed by subsidiaries in Mainland China and 247 were employed by the head office and subsidiaries in Hong Kong. Total remuneration paid for the Period from continuing operations was approximately HK\$752,598,000 (2024: approximately HK\$828,537,000 (restated)).

In 2025, the Group unites its efforts and takes a pragmatic and down-to-earth approach in implementing the yearly theme of "making a determined effort for transformation" and achieving "project breakthrough" and "management refinement in the drive for completing the key annual tasks in a timely manner and with high quality. Employees are encouraged to take on important tasks, work hard to reap rewards and be judged by their work performance. The Group has established the incentive and protection mechanism by strengthening the commitment of management personnel and employees at all levels, perfected the supporting systems and performance appraisal system. By building an effective team of employees and unleashing organisational vitality, we continuously enhance our market competitiveness and further refine corporate governance and management.

The remuneration policy of the Group is designed to ensure that the remuneration package is competitive and in line with the development objectives and business performance of the Group. The remuneration package includes fixed salary, discretionary bonus, insurance and fringe benefits. The remuneration standards are based on factors such as qualifications, experience, job responsibility and performance of individual employees and market conditions. Discretionary bonus is subject to the performance-based incentive policy.

In respect of staff training, the Group aims to build a learning organisation, and encourage staff to pursue continuous learning and lifelong learning. The Group also organises legal compliance, investment development, financial management, sustainable development and other multi-dimensional professional trainings in a targeted manner as per the compliance requirements and business development requirements and on an as-needed basis in order to constantly enhance the overall quality and professional competence of its staff.

Management Discussion and Analysis

REVIEW

Since 2025, persistent geopolitical tensions and increased tariffs coupled with trade policy uncertainties have exerted pressure on global supply chains, leading to a slowdown in corporate investment that has affected both developed and developing economies. Against this backdrop, the Chinese economy has withstood external pressures and overcome internal challenges by focusing on domestic demand improvement, industrial upgrading, and structural optimization, demonstrating notable resilience. Nevertheless, challenges remain, including contracting external demand, insufficient domestic demand, overcapacity in certain sectors, subdued market expectations, and lingering risk factors.

PROSPECTS

In the second half of 2025, the risks of global economic downturn have increased, with tariff-related policy adjustments and geopolitical maneuvering posing additional challenges to the global economy. Major international organizations such as the IMF and OECD have collectively lowered their global growth forecasts by an average of 0.4 percentage points. Under the influence of proactive macroeconomic policies, China's economy is expected to maintain a moderate recovery trajectory amid the interplay of external pressures and internal growth drivers. Confronted with the increasingly complex and unpredictable external environment, the Group has been adhering to the development strategy of "balancing progress and stability and enhancing quality and efficiency". On one hand, we have maintained steady improvements in the operational performance of our core businesses while optimizing corporate governance and risk management mechanisms. On the other hand, we endeavoured to seize market development opportunities and continue to expand the scale of our core business to strengthen the foundation of the sustainable development of the Company.

The Group will continue to concentrate resources on extending the water resources segment into higher value-added areas, promoting the transformation and upgrading of our business structure. While consolidating and deepening "organizational leanness" we will vigorously advance "precision management" continuously optimize various asset portfolios and resource allocation, and proactively seize potential development opportunities arising from the "Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area". We will proactively monitor investment, merger and acquisition opportunities in relevant markets, striving to achieve new breakthroughs in profit growth and further enhance the Company's operational performance and overall value.

Directors' Interests and Short Positions in Securities

As 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 and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be (i) notified to the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules"), were as follows:

INTERESTS AND SHORT POSITIONS IN THE COMPANY

Interests in ordinary shares

Name of Director	Capacity/ Nature of interests	Number of ordinary shares held	Long/Short position	Approximate percentage of interests held (Note)
Chan Cho Chak, John	Personal	5,450,000	Long position	0.083%
Cheng Mo Chi, Moses	Personal	2,268,000	Long position	0.035%

Note: The approximate percentage of interests held was calculated on the basis of 6,537,821,440 ordinary shares of the Company in issue as at 30 June 2025.

INTERESTS AND SHORT POSITIONS IN GUANGDONG LAND HOLDINGS LIMITED

Interests in ordinary shares

Name of Director	Capacity/ Nature of interests	Number of ordinary shares held	Long/Short position	Approximate percentage of interests held (Note)
Chan Cho Chak, John	Personal	1,051,850	Long position	0.061%
Cheng Mo Chi, Moses	Personal	1,037,724	Long position	0.061%

Note: The approximate percentage of interests held was calculated on the basis of 1,711,536,850 ordinary shares of Guangdong Land Holdings Limited in issue as at 30 June 2025.

INTERESTS AND SHORT POSITIONS IN GDH GUANGNAN (HOLDINGS) LIMITED

Interests in ordinary shares

Name of Director	Capacity/ Nature of interests	Number of ordinary shares held	Long/Short position	Approximate percentage of interests held (Note)
Tsang Hon Nam	Personal	300,000	Long position	0.033%

Note: The approximate percentage of interests held was calculated on the basis of 907,593,285 ordinary shares of GDH Guangnan (Holdings) Limited in issue as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, to the knowledge of the Company, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be: (i) notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

Substantial Shareholders' and Other Persons' Interests

As at 30 June 2025, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had, or were taken or deemed to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO:

Name of shareholder	Capacity/ Nature of interests	Number of ordinary shares held	Long/Short position	Approximate percentage of interests held (Note 1)
廣東粵海控股集團有限公司 (Guangdong Holdings Limited*) ("Guangdong Holdings") (Note 2)	Interest in controlled corporation	3,809,237,546	Long position	58.26%
GDH Limited ("GDH")	Beneficial owner	3,809,237,546	Long position	58.26%

Notes:

1. The approximate percentage of interests held was calculated on the basis of 6,537,821,440 ordinary shares of the Company in issue as at 30 June 2025.
2. The attributable interest which Guangdong Holdings has in the Company is held through its 100% direct interest in GDH.

Save as disclosed above, as at 30 June 2025, no other person (other than a Director or chief executive of the Company) had, or were taken or deemed to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO.

The English name of the entity marked with a "" is a translation of its Chinese name, and is included herein for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.*

Corporate Governance and Other Information

CORPORATE GOVERNANCE CODE

The Group recognizes the importance of achieving the highest standard of corporate governance consistent with the needs and requirements of its businesses and the best interest of all its stakeholders and is fully committed to doing so. It is also with these objectives in mind that the Group has applied the principles of the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Company had complied with the code provisions as set out in the CG Code for the six months ended 30 June 2025 and, where appropriate, the applicable recommended best practices of the CG Code.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code (the “Code”) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. In response to specific enquiries made, all Directors confirmed that they had complied with the required standards of dealings as set out in the Code throughout the six months ended 30 June 2025.

CHANGE IN DIRECTORS’ INFORMATION

The change in Directors’ information is set out below:

- Dr. Cheng Mo Chi, Moses has been appointed by the Government of the HKSAR as Chairman of the Hong Kong Maritime and Port Development Board.

Save for the above change in Directors’ information, there is no other information that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the unaudited interim financial report and the interim report of the Group for the six months ended 30 June 2025. The interim financial report is unaudited, but has been reviewed by the Company’s external auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the Hong Kong Institute of Certified Public Accountants.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s securities listed on The Stock Exchange of Hong Kong Limited.

DISCLOSURE UNDER RULE 13.21 OF THE LISTING RULES

Facility Letter dated 4 September 2024

The Company accepted a committed term loan facility for 364 days in the principal amount of HK\$3,000 million (the “GDI September 2024 Facility”) offered by a bank on 4 September 2024. Pursuant to the GDI September 2024 Facility Letter, among others, the Company undertakes with the bank that it will:

- procure that GDH shall not cease to be ultimately and beneficially controlled and majority-owned (directly and/or indirectly) by the Guangdong Provincial Government; and
- procure that GDH shall not cease to beneficially own, directly and/or indirectly, at least 51% of the shareholdings in the Company.

Corporate Governance and Other Information

If the Company is in breach of any of the above undertakings under the GDI September 2024 Facility Letter, the bank may cancel the GDI September 2024 Facility and declare all or part of the GDI September 2024 Facility, together with accrued interest, and all other amounts accrued or outstanding under the GDI September 2024 Facility Letter be immediately due and repayable.

The outstanding principal of the GDI September 2024 Facility as at 30 June 2025 amounted to HK\$1,670 million.

Facility Letter dated 8 October 2024

The Company accepted a committed term loan facility for 364 days in the principal amount of HK\$2,000 million (the "GDI October 2024 Facility") offered by a bank on 8 October 2024. Pursuant to the GDI October 2024 Facility Letter, among others, the Company undertakes with the bank that it will:

- (i) procure that GDH shall not cease to be ultimately and beneficially controlled and majority-owned (directly and/or indirectly) by the Guangdong Provincial Government; and
- (ii) procure that GDH shall not cease to beneficially own, directly and/or indirectly, at least 51% of the shareholdings in the Company.

If the Company is in breach of any of the above undertakings under the GDI October 2024 Facility Letter, all amounts advanced under the GDI October 2024 Facility will become immediately due and repayable.

The outstanding principal of the GDI October 2024 Facility as at 30 June 2025 amounted to HK\$1,930 million.

INTERIM DIVIDEND

The Board has resolved to declare the payment of an interim dividend of HK26.66 cents (2024: HK23.97 cents) per ordinary share for the six months ended 30 June 2025 to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on Friday, 10 October 2025. The interim dividend is expected to be paid on or about Thursday, 23 October 2025.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed on Friday, 10 October 2025 and no transfer of shares will be registered on that day. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Thursday, 9 October 2025.

By Order of the Board

BAI Tao

Chairman

Hong Kong, 25 August 2025



GUANGDONG INVESTMENT LIMITED
(粵 海 投 資 有 限 公 司)

