



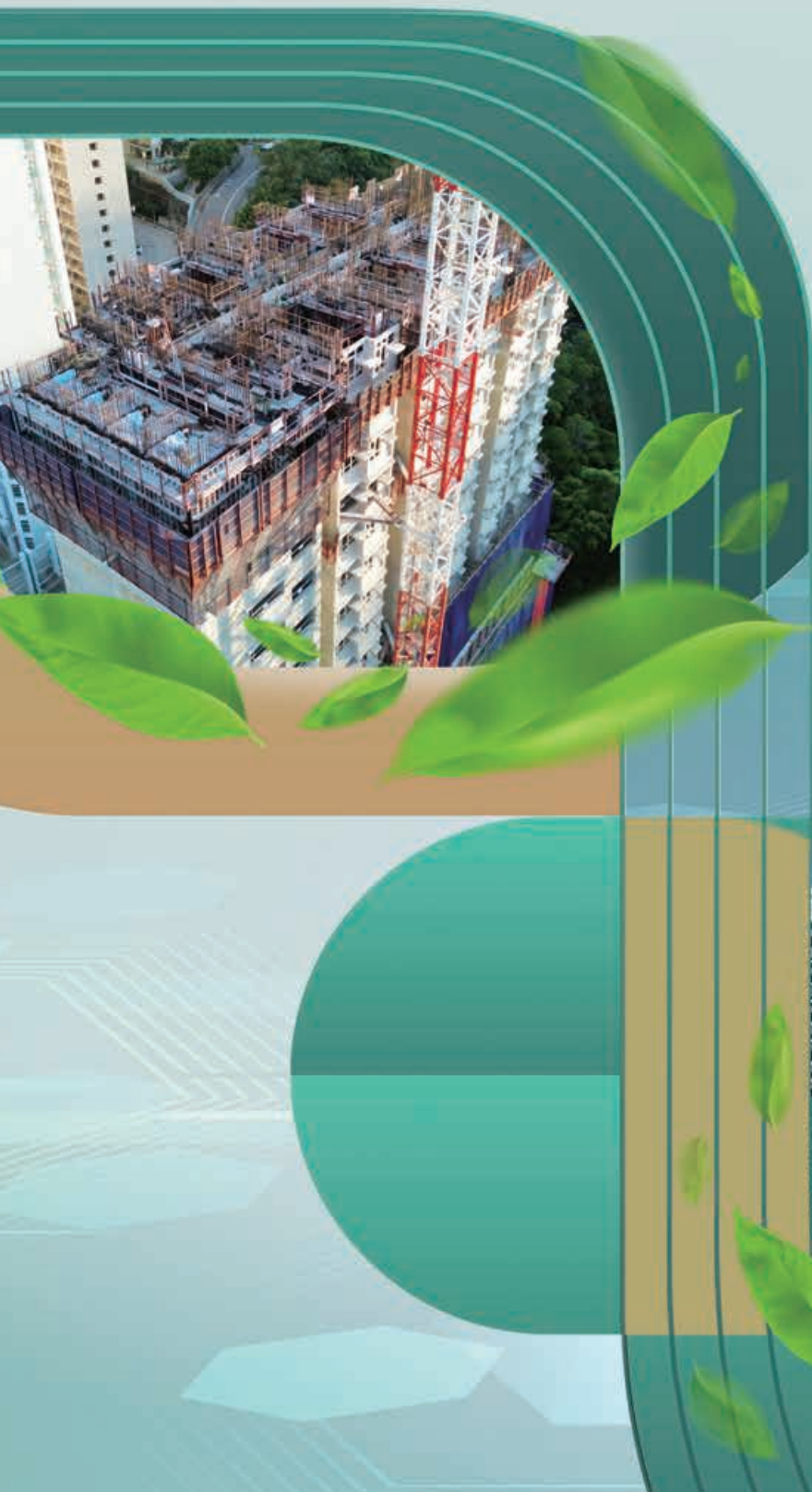
青建國際控股有限公司

CNQC International Holdings Limited

(Incorporated in the Cayman Islands with limited liability) Stock Code: 1240

INTERIM REPORT

2025



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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Wang Congyuan (*Chairman*)
Dr. Du Bo
Mr. Li Jun (李軍) (*the Chief Executive Officer*)
Mr. Du Dexiang (*Co-Chief Executive Officer*)

Non-executive Director

Mr. Liu Jiazhen

Independent Non-executive Directors

Mr. Tam Tak Kei, Raymond
Mr. Chan Kok Chung, Johnny
Mr. Liu Junchun
Ms. Liu Juan (*resigned on 28 August 2025*)

COMPANY SECRETARY

Ms. Au Wing Sze

AUDIT COMMITTEE

Mr. Tam Tak Kei, Raymond
(*Chairman of the Audit Committee*)
Mr. Chan Kok Chung, Johnny
Mr. Liu Junchun

REMUNERATION COMMITTEE

Mr. Liu Junchun (*Chairman of the Remuneration Committee*)
Mr. Wang Congyuan
Mr. Chan Kok Chung, Johnny
Mr. Tam Tak Kei, Raymond
Mr. Du Dexiang

NOMINATION COMMITTEE

Mr. Wang Congyuan (*Chairman of the Nomination Committee*)
Dr. Du Bo
Mr. Tam Tak Kei, Raymond
Mr. Chan Kok Chung, Johnny
Mr. Liu Junchun

STRATEGY AND INVESTMENT COMMITTEE

Mr. Li Jun (李軍)
(*Chairman of the Strategy and Investment Committee*)
Dr. Du Bo
Mr. Wang Congyuan
Mr. Chan Kok Chung, Johnny
Mr. Du Dexiang
Mr. Liu Jiazhen

AUTHORIZED REPRESENTATIVES

Mr. Li Jun (李軍)
Ms. Au Wing Sze

REGISTERED OFFICE

Windward 3, Regatta Office Park
PO Box 1350, Grand Cayman KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

8/F, Enterprise Square Three,
39 Wang Chiu Road
Kowloon Bay, Hong Kong

CORPORATE INFORMATION

LEGAL ADVISERS AS TO HONG KONG LAWS

Li & Partners

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
183 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
United Overseas Bank
The Export-Import Bank of China
China Development Bank
The Bank of East Asia Limited
The Hongkong and Shanghai Banking Corporation Limited

STOCK CODE

1240

WEBSITE

www.cnqc.com.hk

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	7	4,404,110	4,883,569
Cost of sales		(4,103,040)	(4,602,888)
Gross profit		301,070	280,681
Other income	8	42,777	35,763
Other (loss)/gain, net	9	(46,486)	46,070
Selling and marketing expenses		(26,820)	(24,783)
General and administrative expenses		(128,658)	(133,415)
Operating profit	10	141,883	204,316
Finance income		33,757	22,018
Finance cost		(70,504)	(148,089)
Finance costs, net	11	(36,747)	(126,071)
Share of results of associated companies		(23,710)	(23,937)
Share of results of joint ventures		(567)	(11)
Profit before income tax		80,859	54,297
Income tax expense	12	(29,835)	(24,669)
Profit for the period		51,024	29,628
Other comprehensive income/(expense)			
Item that may be reclassified subsequently to profit or loss:			
— Exchange differences arising from translation of foreign operations		174,052	(22,072)
— Reclassification of cumulative translation reserve upon disposal of subsidiaries		—	11
		174,052	(22,061)
Total comprehensive income for the period		225,076	7,567

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Profit for the period attributable to:			
Owners of the Company		29,920	23,831
Non-controlling interests		21,104	5,797
		51,024	29,628
Total comprehensive income for the period attributable to:			
Owners of the Company		203,598	4,011
Non-controlling interests		21,478	3,556
		225,076	7,567
Earnings per share attributable to owners of the Company during the period			
	13		
Basic (HK\$)			
— ordinary shares		0.018	0.014
— convertible preference shares		0.018	0.014
Diluted (HK\$)			
— ordinary shares		0.018	0.014
— convertible preference share		0.018	0.014

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompany notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	14	469,691	440,016
Right-of-use assets	14	65,641	69,159
Goodwill	14	585,749	563,768
Other intangible assets	14	55,209	58,150
Investments in associated companies		125,813	125,528
Investments in joint ventures		29,140	30,585
Deferred income tax assets		35,927	38,280
Financial assets at fair value through other comprehensive income		1,507	1,395
Financial assets at fair value through profit or loss		167,380	167,380
Prepayments, other receivables and deposits	15	2,114,879	1,607,451
Derivative financial instruments		–	1,443
		3,650,936	3,103,155
Current assets			
Development properties for sale	16	873,156	1,055,373
Trade and other receivables, prepayments and deposits	15	1,636,377	1,377,658
Contract assets	17	2,117,978	2,416,446
Tax recoverable		3,554	2,636
Pledged bank deposits		4,358	4,009
Cash and cash equivalents		762,710	1,127,809
Derivative financial instruments		–	6,226
		5,398,133	5,990,157
Total current assets		9,049,069	9,093,312

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital — ordinary shares	20	15,183	15,183
Share capital — convertible preference shares	20	1,249	1,249
Share premium		3,261,225	3,261,225
Other reserves		(1,064,577)	(1,238,255)
Retained earnings		328,085	298,165
		2,541,165	2,337,567
Non-controlling interests		418,659	459,949
Total equity		2,959,824	2,797,516
LIABILITIES			
Non-current liabilities			
Borrowings	18	1,615,380	2,107,761
Lease liabilities		49,574	48,844
Deferred income tax liabilities		76,735	60,950
Derivative financial instruments		6,994	—
		1,748,683	2,217,555
Current liabilities			
Trade and other payables	19	2,841,419	2,819,611
Contract liabilities		4,502	23,795
Income tax payables		67,863	100,904
Borrowings	18	1,387,825	1,111,002
Lease liabilities		27,203	22,929
Derivative financial instruments		11,750	—
Total current liabilities		4,340,562	4,078,241
Total liabilities		6,089,245	6,295,796
Total equity and liabilities		9,049,069	9,093,312

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the Company							
	Share capital — ordinary shares HK\$'000	Share capital — convertible preference shares HK\$'000	Share premium HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
For the six months ended 30 June 2025 (unaudited)								
Balance at 1 January 2025	15,183	1,249	3,261,225	(1,238,255)	298,165	2,337,567	459,949	2,797,516
Comprehensive income								
Profit for the period	-	-	-	-	29,920	29,920	21,104	51,024
Other comprehensive income								
Currency translation difference	-	-	-	173,678	-	173,678	374	174,052
Total comprehensive income	-	-	-	173,678	29,920	203,598	21,478	225,076
Transactions with owners in their capacity as owners								
Disposal of subsidiaries	-	-	-	-	-	-	(7,282)	(7,282)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(55,486)	(55,486)
Total transactions with owners in their capacity as owners	-	-	-	-	-	-	(62,768)	(62,768)
Balance at 30 June 2025 (unaudited)	15,183	1,249	3,261,225	(1,064,577)	328,085	2,541,165	418,659	2,959,824

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the Company							
	Share capital — ordinary shares HK\$'000	Share capital — convertible preference shares HK\$'000	Share premium HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
For the six months ended 30 June 2024 (unaudited)								
Balance at 1 January 2024	15,183	1,249	3,261,225	(1,151,282)	252,587	2,378,962	448,000	2,826,962
Comprehensive income								
Profit for the period	–	–	–	–	23,831	23,831	5,797	29,628
Other comprehensive expense								
Currency translation difference	–	–	–	(19,820)	–	(19,820)	(2,241)	(22,061)
Total comprehensive income/(expense)	–	–	–	(19,820)	23,831	4,011	3,556	7,567
Transactions with owners in their capacity as owners								
Disposal of subsidiaries	–	–	–	–	–	–	21,295	21,295
Dividends paid to non-controlling interests	–	–	–	–	–	–	(3,127)	(3,127)
Total transactions with owners in their capacity as owners	–	–	–	–	–	–	18,168	18,168
Balance at 30 June 2024 (unaudited)	15,183	1,249	3,261,225	(1,171,102)	276,418	2,382,973	469,724	2,852,697

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Cash flows from operating activities		
Net cash generated from operations	381,206	246,454
Interest paid	(69,138)	(138,864)
Income tax (paid)/refunded	(43,799)	8,890
Net cash generated from operating activities	268,269	116,480
Cash flows from investing activities		
Purchase of property, plant and equipment	(49,976)	(36,599)
Proceeds from disposal of property, plant and equipment and right-of-use assets	159	153
Proceeds from disposal of financial assets at fair value through profit or loss	–	20,000
Loans to associated companies	(334,691)	(200,299)
Interests income received	885	3,565
Investment in an associated company	–	(5,386)
Investment in a joint venture	–	(16,802)
Net cash outflow on disposal of subsidiaries	–	(7,387)
Dividends received from an associated company	18,648	91,220
(Increase)/decrease in pledged bank deposits for derivative financial instruments	(426)	4,488
Net cash used in investing activities	(365,401)	(147,047)
Cash flows from financing activities		
Drawdown on bank borrowings	312,701	1,561,652
Repayment of bank borrowings	(665,504)	(2,171,597)
Proceeds from non-controlling interests	115,865	–
Repayment on principal element of lease liabilities	(10,256)	(15,666)
Repayment on interest element of lease liabilities	(1,366)	(1,414)
Dividends paid to non-controlling interests	(55,486)	(3,127)
Net cash used in financing activities	(304,046)	(630,152)
Net decrease in cash and cash equivalents	(401,178)	(660,719)
Cash and cash equivalents at beginning of the period	1,127,809	1,604,091
Exchange gain/(loss) on cash and cash equivalents	36,079	(10,678)
Cash and cash equivalents at end of the period	762,710	932,694

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

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

CNQC International Holdings Limited (the “**Company**”) is an investment holding company. The Company and its subsidiaries (together the “**Group**”) are principally engaged in foundation and construction business, property development and related investment business in Singapore and Southeast Asia, Hong Kong and Macau.

The Company is a limited liability company incorporated in the Cayman Islands. The address of the Company’s registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited.

This unaudited condensed consolidated interim financial information (“**Interim Financial Information**”) is presented in Hong Kong Dollar (“**HK\$**”), unless otherwise stated.

2 BASIS OF PREPARATION

This Interim Financial Information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Security on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Interim Financial Information should be read in conjunction with the consolidated financial statements for the year ended 31 December 2024 (“**2024 Financial Statements**”), which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”) issued by HKICPA.

This Interim Financial Information has been prepared on the historical cost basis, except for financial assets at fair value through profit or loss (“**FVPL**”), financial assets at fair value through other comprehensive income (“**FVOCI**”) and derivative financial instruments which are measured at fair value.

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied to prepare this unaudited Interim Financial Information for the six months ended 30 June 2025 are consistent with the 2024 Financial Statements.

(a) Amendment to existing standard effective for the financial year beginning 1 January 2025:

Amendments to HKAS 21

Lack of Exchangeability

The adoption of this amendment to existing standard did not have a significant impact on the Group’s results of operations and its financial position and did not require retrospective adjustments.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

3 ACCOUNTING POLICIES (CONTINUED)

- (b) New standards and amendments to existing standards have been published but are not yet effective and which the Group has not early adopted:

		Effective for annual periods beginning on or after
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Management is in the process of making an assessment of the financial impact of adoption of these new standards and amendments to existing standards. The management will adopt these new standards and amendments to existing standards when they become effective.

4 JUDGEMENTS AND ESTIMATES

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

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

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2024.

There have been no changes in the risk management policies since 2024 year end.

5.2 Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with debt covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from banks and other financial institutions to meet their liquidity requirements in the shorter and longer term. Management believes there is no significant liquidity risk as the Group has sufficient committed facilities to fund their operations.

As at 30 June 2025, the Group had cash and cash equivalents of HK\$762,710,000 (31 December 2024: HK\$1,127,809,000) of which approximately 70.9% was held in Singapore Dollar ("SGD"), 26.3% was held in HK\$, and the remaining was mainly held in Malaysian Ringgit and US Dollar. The gearing ratio of the Group as at 30 June 2025 (defined as the net debt divided by total equity plus net debt, where net debt is defined as borrowings less cash and cash equivalents and pledged bank deposits) was approximately 43.9% (31 December 2024: approximately 43.6%).

5.3 Fair value measurements

The table below analyses the Group's financial instruments carried at fair value as at 30 June 2025 and 31 December 2024 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

5.3 Fair value measurements (Continued)

- (i) The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy.

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
30 June 2025				
Assets				
Financial assets at FVOCI				
— Unlisted equity investment	–	–	1,507	1,507
Financial assets at FVPL				
— Unlisted fund investments	–	–	167,380	167,380
Liabilities				
Financial liabilities at FVPL				
— Derivative financial instruments	–	18,744	–	18,744
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000

31 December 2024

Assets

Financial assets at FVOCI

— Unlisted equity investment – – 1,395 1,395

Financial assets at FVPL

— Unlisted fund investments – – 167,380 167,380

— Derivative financial instruments – 7,669 – 7,669

The fair values of derivative financial instruments that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of forward foreign exchange contracts is determined using forward exchange rates at the interim condensed consolidated statement of financial position date, with the resulting value discounted back to present value.

The investments in unquoted financial assets at FVOCI held by the Group as at 30 June 2025 and 31 December 2024 are equity investments in property development companies that are not traded in an active market. The fair value of these investments is determined by using a dividend discount model for which the assumptions are based on the estimated future dividend plans of the underlying investments. These investments are classified as Level 3.

Financial assets at FVPL held by the Group as at 30 June 2025 and 31 December 2024 are investment fund established for healthcare and biotechnology related business and investments in an investment collective scheme that are not traded in an active market. The fair value of these investments is determined by using a discounted cash flow model and the adjusted net assets value method. These investments are classified as Level 3.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

5.3 Fair value measurements (Continued)

(ii) The following table presents the changes in Level 3 instruments:

	Financial assets at FVOCI HK\$'000	Financial assets at FVPL HK\$'000
1 January 2025	1,395	167,380
Exchange differences	112	–
30 June 2025	1,507	167,380
1 January 2024	1,425	185,335
Fair value changes	–	2,045
Disposal	–	(20,000)
Exchange differences	(37)	–
30 June 2024	1,388	167,380

During the six months ended 30 June 2025 and 2024, there were no transfers of financial assets and liabilities between level 1, level 2 and level 3.

The fair value of financial assets at FVOCI is determined by using a dividend discount model. The unobservable inputs used in the fair value measurement include forecast dividend earnings and discount rate. Should the forecast dividend earnings increased, other comprehensive income would have been higher. Should the discount rate be increased, other comprehensive income would have been lower.

The fair value of financial assets at FVPL in investment in healthcare and biotechnology related business is determined by using a discounted cash flow model. The unobservable inputs used in the fair value measurement include discount rate. Should the discount rate increased, profit for the year would have been lower.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

5.4 Fair values of financial assets and liabilities measured at amortised cost

The fair values of the following financial assets and liabilities approximate their carrying amounts:

- Trade receivables
- Deposits and other receivables
- Cash and cash equivalents
- Pledged bank deposits
- Trade payables
- Accruals and other payables
- Borrowings
- Lease liabilities

6 SEGMENT INFORMATION

The Group's reportable and operating segments, which are based on information reported to the executive directors (being the chief operating decision maker ("**CODM**")) of the Company for the purpose of resource allocation and performance assessment under HKFRS 8 are as follows:

- Foundation and construction — Hong Kong and Macau
- Property development — Hong Kong
- Construction — Singapore and Southeast Asia
- Property development — Singapore and Southeast Asia

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION (CONTINUED)

Information regarding the above segments is reported below.

	Foundation and construction — Hong Kong and Macau HK\$'000	Property development — Hong Kong HK\$'000	Construction — Singapore and Southeast Asia HK\$'000	Property development — Singapore and Southeast Asia HK\$'000	Total HK\$'000
Six months ended 30 June 2025 (Unaudited)					
Sales					
Sales to external parties	1,484,590	–	2,513,116	406,404	4,404,110
Inter-segment sales	–	–	180,651	–	180,651
Total segment sales	1,484,590	–	2,693,767	406,404	4,584,761
Adjusted segment profit/(loss)	21,743	(15)	34,847	95,571	152,146
Depreciation of property, plant and equipment	20,547	–	8,911	441	29,899
Depreciation of right-of-use assets	6,340	–	2,225	1,186	9,751
Amortisation of intangible assets	75	–	3,002	–	3,077

	Foundation and construction — Hong Kong and Macau HK\$'000	Property development — Hong Kong HK\$'000	Construction — Singapore and Southeast Asia HK\$'000	Property development — Singapore and Southeast Asia HK\$'000	Total HK\$'000
Six months ended 30 June 2024 (Unaudited)					
Sales					
Sales to external parties	1,478,610	–	2,770,578	634,381	4,883,569
Inter-segment sales	–	–	114,370	–	114,370
Total segment sales	1,478,610	–	2,884,948	634,381	4,997,939
Adjusted segment profit/(loss)	35,901	(2)	62,654	120,833	219,386
Depreciation of property, plant and equipment	20,159	–	8,863	476	29,498
Depreciation of right-of-use assets	4,878	–	10,128	1,160	16,166
Amortisation of intangible assets	96	–	3,011	–	3,107

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION (CONTINUED)

The following tables present segment assets and liabilities as at 30 June 2025 and 31 December 2024 respectively.

	Foundation and construction — Hong Kong and Macau HK\$'000	Property development — Hong Kong HK\$'000	Construction — Singapore and Southeast Asia HK\$'000	Property development — Singapore and Southeast Asia HK\$'000	Total HK\$'000
As at 30 June 2025 (Unaudited)					
Segment assets	2,457,281	713,056	4,037,623	3,806,821	11,014,781
Segment liabilities	1,845,445	678,108	3,143,981	2,587,157	8,254,691
	Foundation and construction — Hong Kong and Macau HK\$'000	Property development — Hong Kong HK\$'000	Construction — Singapore and Southeast Asia HK\$'000	Property development — Singapore and Southeast Asia HK\$'000	Total HK\$'000
As at 31 December 2024 (Audited)					
Segment assets	2,074,237	666,877	4,311,408	4,019,523	11,072,045
Segment liabilities	1,630,216	672,497	3,509,165	2,776,053	8,587,931

A reconciliation of segment results to profit before income tax is as follows:

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Adjusted segment profit for reportable segments	152,146	219,386
Unallocated expenses	(9,650)	(11,504)
Elimination	(613)	(3,566)
Finance income	33,757	22,018
Finance costs	(70,504)	(148,089)
Share of results of associated companies	(23,710)	(23,937)
Share of results of joint ventures	(567)	(11)
Profit before income tax	80,859	54,297

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION (CONTINUED)

A reconciliation of segment assets to total assets is as follows:

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Segment assets	11,014,781	11,072,045
Unallocated	5,393,519	5,118,356
Elimination	(7,359,231)	(7,097,089)
Total assets	9,049,069	9,093,312

A reconciliation of segment liabilities to total liabilities is as follows:

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Segment liabilities	8,254,691	8,587,931
Unallocated	5,079,842	4,804,954
Elimination	(7,245,288)	(7,097,089)
Total liabilities	6,089,245	6,295,796

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

7 REVENUE

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue		
Construction contracts income	3,989,834	4,248,668
Sales of development properties	404,310	634,381
Income from loaning labour to other contractors	9,966	520
	4,404,110	4,883,569
Revenue from contracts with customers		
— recognised at a point in time	9,966	520
— recognised over time	4,394,144	4,883,049
	4,404,110	4,883,569

8 OTHER INCOME

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Management fee income	23,496	12,987
Rental income	10,248	14,261
Government grants (Note)	809	1,407
Forfeited customer deposits	1,140	—
Scrap sales	4,572	6,144
Others	2,512	964
	42,777	35,763

Note: Government grants primarily represent subsidies granted by local governments for foreign worker levy rebates. These subsidies were granted in the form of cash payment. There were no unfulfilled condition and other contingencies affected to the receipts of these subsidies.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

9 OTHER (LOSS)/GAIN, NET

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
(Loss)/gain on disposals of property, plant and equipment	(102)	132
Foreign exchange forward contracts fair value (loss)/gain	(25,943)	844
Gain on disposal of subsidiaries	–	43,225
Financial assets at FVPL fair value gain	–	2,045
Exchange differences	(15,293)	(3,805)
Others	(5,148)	3,629
Other (loss)/gain, net	(46,486)	46,070

10 OPERATING PROFIT

Operating profit is stated after charging the following:

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Contractor and material costs included in "Cost of sales"	3,076,141	3,689,389
Property development costs included in "Cost of sales"	277,242	486,888
Rental expenses on operating leases included in "Cost of sales"	101,756	121,021
Staff costs, including directors' emoluments	481,558	465,882
Depreciation of property, plant and equipment	29,899	29,498
Depreciation of right-of-use assets	9,751	16,166
Amortisation of intangible assets	3,077	3,107
Legal and professional fees	10,688	19,695

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

11 FINANCE COSTS, NET

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Finance income		
Interest income from bank deposits	885	3,451
Interest income from loans to associated companies	31,377	17,106
Interest income from loans to an investment company accounted for as financial assets at FVOCI	1,495	1,461
	33,757	22,018
Finance cost		
Interest expenses on lease liabilities	(1,366)	(1,414)
Interest expenses on bank borrowings and arrangement fee amortised in respect of bank facilities	(80,070)	(125,859)
Interest expenses on loans from non-controlling interests	(9,754)	(28,821)
	(91,190)	(156,094)
Less: Interest expenses capitalised	–	10,505
	(91,190)	(145,589)
Net foreign exchange gains/(losses)	20,686	(2,500)
	(70,504)	(148,089)
Finance costs, net	(36,747)	(126,071)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

12 INCOME TAX EXPENSE

Hong Kong profits tax, Singapore corporate income tax and Malaysia corporate tax have been provided for at the rate of 16.5%, 17% and 24% respectively, others have been provided for at the applicable rate for the six months ended 30 June 2025 and 2024 on the estimated assessable profit for the period in the respective jurisdiction.

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Current income tax		
— Hong Kong profits tax	2,817	3,554
— Singapore corporate income tax	7,202	517
— Malaysia corporate income tax	2,242	—
Overprovision in prior year		
— Singapore corporate income tax	(1,144)	(8,741)
	11,117	(4,670)
Deferred income tax	18,718	29,339
Income tax expense	29,835	24,669

13 EARNINGS PER SHARE

Basic

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

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Profit attributable to ordinary shares	27,646	22,020
Profit attributable to convertible preference shares ("CPS")	2,274	1,811
Profit attributable to owners of the Company	29,920	23,831

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

13 EARNINGS PER SHARE (CONTINUED)

Basic (Continued)

	Six months ended 30 June 2025		Six months ended 30 June 2024	
	Ordinary shares (Unaudited)	CPS (Unaudited)	Ordinary shares (Unaudited)	CPS (Unaudited)
Weighted average number of issued shares for the purpose of calculating basic earnings per share (in thousands)	1,518,320	124,876	1,518,320	124,876
Basic earnings per share (HK\$)	0.018	0.018	0.014	0.014

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares and CPS outstanding for each of the periods presented.

In addition to a non-cumulative preferred distribution from the date of the issue of the CPS at a rate of 0.01% per annum on the issue price of HK\$2.75 per CPS payable annually in arrears, each CPS is entitled to any dividend pari passu with the holders of the ordinary shares. In addition, the holders of the CPS shall have priority over the holders of ordinary shares on the assets and funds of the Company available for distribution in a distribution of assets on liquidation, winding-up or dissolution of the Company up to an amount equal to the aggregate nominal amounts of the CPS issued. Distributions beyond this amount are to be made on a pari passu basis among the holders of any class of shares including the CPS. Hence, the rights of the CPS to the entitlements of dividend and distribution of assets are substantially the same as those of the ordinary shares of the Company. Accordingly, the CPS is accounted for as an equity instrument and is included in the calculation of earnings per share.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

13 EARNINGS PER SHARE (CONTINUED)

Diluted

	Six months ended 30 June 2025		Six months ended 30 June 2024	
	Ordinary shares (Unaudited)	CPS (Unaudited)	Ordinary shares (Unaudited)	CPS (Unaudited)
Weighted average number of issued shares for the purpose of calculating basic earnings per share (in thousands)	1,518,320	124,876	1,518,320	124,876
Diluted earnings per share (HK\$)	0.018	0.018	0.014	0.014

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares and CPS outstanding to assume conversion of all dilutive potential ordinary shares relating to the outstanding share options issued by the Company as at period end dates. The number of shares that would have been issued assuming the exercise of the share options less the number of shares that could have been issued at fair value (determined as the average market price of the Company's share for the year) for the same total proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share. For the periods ended 30 June 2025 and 2024, no diluted earnings per share were presented as there were no potential ordinary shares in issue.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

14 RIGHT-OF-USE ASSETS, PROPERTY, PLANT AND EQUIPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS

	Right-of-use assets HK\$'000	Property, plant and equipment HK\$'000	Goodwill HK\$'000	Other intangible assets HK\$'000
Six months ended 30 June 2025 (unaudited)				
Opening net book amount as at 1 January 2025	69,159	440,016	563,768	58,150
Additions	3,900	49,976	–	–
Disposals	–	(261)	–	–
Depreciation and amortisation	(9,751)	(29,899)	–	(3,077)
Exchange difference	2,333	9,859	21,981	136
Closing amount as at 30 June 2025 (unaudited)	65,641	469,691	585,749	55,209
Six months ended 30 June 2024 (unaudited)				
Opening net book amount as at 1 January 2024	64,990	474,578	569,569	64,575
Additions	29,954	36,599	–	–
Disposals	(33)	(28,531)	–	–
Depreciation and amortisation	(16,166)	(29,498)	–	(3,107)
Disposal of a subsidiary	–	(3,909)	–	–
Exchange difference	(550)	(1,923)	(3,380)	(13)
Closing amount as at 30 June 2024 (unaudited)	78,195	447,316	566,189	61,455

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

15 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Current		
Trade receivables (<i>Note (b)</i>)		
— Associated companies	35,190	89,624
— Related parties	5,547	5,135
— A joint venture	4,611	6,804
— An investment company accounted for as financial assets at FVOCI	39,667	7,452
— Third parties	735,336	607,720
	820,351	716,735
Retention receivables from customers for contract work (<i>Note (c)</i>)		
— Associated companies	616	570
— A joint venture	5,685	5,263
— An investment company accounted for as financial assets at FVOCI	1,861	245
— Third parties	542,440	456,252
	550,602	462,330
Other receivables (<i>Note (d)</i>)		
— Associated companies	57,440	29,197
— Related parties	19,358	24,673
— A joint venture	2,143	—
— Third parties	52,603	11,671
Prepayments	59,336	55,469
Deposits	51,687	44,189
Staff advances	2,966	2,952
Goods and services tax receivable	3,579	5,269
	249,112	173,420
Loans and interests receivables		
— Associated companies (<i>Note (e)</i>)	16,312	25,173
	1,636,377	1,377,658
Non-current		
Loans and interests receivables		
— Associated companies (<i>Note (e)</i>)	1,926,480	1,430,398
— A joint venture (<i>Note (f)</i>)	111,450	111,450
— An investment company accounted for as financial assets at FVOCI (<i>Note (g)</i>)	73,209	64,042
Prepayments, other receivables and deposits	3,740	1,561
	2,114,879	1,607,451

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

15 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (CONTINUED)

Notes:

- (a) The credit periods granted to customers were generally 30 days. No interest was charged on the outstanding balance.
- (b) The aging analysis of trade receivables based on invoice date is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
1–30 days	695,912	487,781
31–60 days	66,081	126,489
61–90 days	8,375	2,749
Over 90 days	49,983	99,716
	820,351	716,735

- (c) Retention receivables in respect of the construction and foundation businesses are settled in accordance with the terms of respective contracts. Retention receivables held by customers for construction and foundation work amounting to approximately HK\$383,972,000 (31 December 2024: HK\$303,890,000) are expected to be recovered in more than twelve months from the reporting date.
- (d) Other receivables due from associated companies, related parties, a joint venture and third parties were unsecured and interest-free.
- (e) Loans receivables to associated companies of HK\$1,942,792,000 (31 December 2024: HK\$1,455,571,000) represent shareholders' loans provided by the Group to various associated companies that engage in property development in Singapore and Hong Kong.

In accordance with the shareholders' agreements, the Group and the other shareholders contributed minimal amount of capital and substantially all portion of the associates' capital expenditures and working capital were funded through shareholders' loans and other external financings. The shareholders' loans were provided pursuant to the commitments set out in the respective shareholders' agreements entered into when the property development companies were established and were made in proportion to the percentages of the Group's shareholdings in these property development companies. Loans receivables to associated companies are unsecured and have no fixed repayment terms. The shareholders' loans are repayable in part or in full on any date to be agreed between the associated companies and its shareholders and are interest-bearing at a fixed rate of 4% to 5% or at a floating rate of 1% over Singapore Overnight Rate Average ("**SORA**") (31 December 2024: same) per annum as at 30 June 2025.

The directors of Company assessed the impairment of loans receivables to the associated companies on a regular basis with reference to the financial position, the financial budget and the estimated future cash flows of the associated companies, which the Group has full access to the financial statements and the complete books and records of the associated companies. Factors including the pre-sale of the relevant development properties (for property development projects in Singapore), progress of construction of the development properties and other current market conditions are considered in the impairment assessment. Based on the assessment performed by the directors, no provision for impairment was recognised against the loans receivables, interest receivables and other receivables to associated companies as at 30 June 2025 (31 December 2024: Nil).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

15 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (CONTINUED)

Notes: (Continued)

(e) (Continued)

Details of the material loans and interest receivables to associated companies of the Group as at 30 June 2025 are as follows:

As at 30 June 2025, loan and interest receivable of HK\$486,900,000 (31 December 2024: HK\$399,934,000) represent shareholders' loan to TQS Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest bearing at a fixed rate of 4% per annum. The directors of the Company consider that the loan and interest receivable from TQS Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of Temporary Occupation Permit ("TOP") by the Building and Construction Authority of Singapore, hence, it is classified as non-current asset in the interim condensed consolidated statement of financial position.

As at 30 June 2025, loan and interest receivable of HK\$277,258,000 (31 December 2024: HK\$252,142,000) represent shareholders' loan to TQS (2) Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a fixed rate of 4% per annum. The directors of the Company consider that the loan and interest receivable from TQS (2) Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current asset in the interim condensed consolidated statement of financial position.

As at 30 June 2025, loan and interest receivable of HK\$187,491,000 (31 December 2024: HK\$179,798,000) represent shareholders' loan to Jubilant Castle Limited, an associated company of the Group that engage in property development in Hong Kong through its subsidiary, Wealth Honour Limited. The loan receivable is unsecured and interest-bearing at a fixed rate of 5% per annum. The directors of the Company consider that the loan and interest receivable from Jubilant Castle Limited and will not be repayable within one year from the end of the reporting period, hence, it is classified as non-current assets in the interim condensed consolidated statement of financial position accordingly.

As at 30 June 2025, loan and interest receivable of HK\$284,296,000 (31 December 2024: HK\$232,420,000) represent shareholders' loan to Media Circle Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a floating rate of 1% over SORA per annum. The directors of the Company consider that the loan and interest receivable from Media Circle Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current assets in the interim condensed consolidated statement of financial position.

As at 30 June 2025, loan and interest receivable of HK\$426,415,000 (31 December 2024: HK\$341,232,000) represent shareholders' loan to Pasir Ris Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a floating rate of 1% over SORA per annum. The directors of the Company consider that the loan and interest receivable from Pasir Ris Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current assets in the interim condensed consolidated statement of financial position.

As at 30 June 2025, loan and interest receivable of HK\$223,953,000 (31 December 2024: HK\$nil) represent shareholders' loan to Media Circle Alpha Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a floating rate of 1% over SORA per annum. The directors of the Company consider that the loan and interest receivable from Media Circle Alpha Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current assets in the interim condensed consolidated statement of financial position.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

15 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (CONTINUED)

Notes: (Continued)

- (f) As at 30 June 2025, loan receivable of HK\$111,450,000 (31 December 2024: HK\$111,450,000) represents shareholders' loan to CNQC & SAMBO Co. Ltd., a joint venture of the Group that engages in property development in Hong Kong through its non-wholly owned subsidiary, Apex Intelligence Limited. The loan receivable is unsecured, interest-free and repayable on demand. The directors of the Company consider that the loan receivable from CNQC & SAMBO Co. Ltd. will not be repayable within one year from the end of the reporting period, hence, it is classified as non-current asset in the interim condensed consolidated statement of financial position accordingly. Shareholders' loan was granted on same basis in note (e). Based on assessment performed by the directors with same basis in note (e), no provision for impairment was recognised against the loans and interest receivables to a joint venture as at 30 June 2025 (31 December 2024: Nil).
- (g) As at 30 June 2025, loan and interest receivable of HK\$73,209,000 (31 December 2024: HK\$64,042,000) represents shareholders' loan to ZACD LV Development Pte. Ltd., an investment company that engages in property development in Singapore. The investment company is accounted for as financial assets at FVOCI. The loan is unsecured and interest bearing at a fixed rate of 5% per annum. The directors of the Company consider that the loan and interest receivable from ZACD LV Development Pte. Ltd. will not be repayable within one year from the end of the reporting period, hence, it is classified as non-current asset in the interim condensed consolidated statement of financial position accordingly. Shareholders' loan was granted on same basis in note (e). Based on assessment performed by the directors with same basis in note (e), no provision for impairment was recognised against the loans and interest receivable to an investment company accounted for as financial assets at FVOCI as at 30 June 2025 (31 December 2024: Nil).

The carrying amounts of the Group's trade and other receivables (excluding prepayments) approximate their fair values. The Group did not hold any collateral as security for its trade and other receivables.

16 DEVELOPMENT PROPERTIES FOR SALE

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Properties in the course of development		
Leasehold land at cost	682,288	841,308
Development costs	137,147	148,730
Overheads expenditure capitalised	3,228	6,583
Interest expenses capitalised	50,493	58,752
	873,156	1,055,373

The capitalised interest rate applied to funds borrowed and used for the development of properties is between 5.3% and 6.0% per annum (31 December 2024: between 5.3% and 6.0% per annum).

As at 30 June 2025, development properties with net carrying amounts of HK\$836,201,000 (31 December 2024: HK\$1,018,419,000) were pledged as securities for certain bank loans of the Group (Note 18(a)).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

17 CONTRACT ASSETS

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Sales of properties	327,664	938,027
Construction projects	1,790,314	1,478,419
	2,117,978	2,416,446

18 BORROWINGS

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Current		
Bank borrowings — secured (Note (a))	93,180	228,865
Bank borrowings — unsecured (Note (b))	1,002,966	866,878
Bank borrowings — mortgaged (Note (c))	1,585	744
Loans from non-controlling interests — unsecured (Note (d))	290,094	14,515
	1,387,825	1,111,002
Non-current		
Bank borrowings — secured (Note (a))	507,356	519,385
Bank borrowings — unsecured (Note (b))	688,131	1,051,955
Bank borrowings — mortgaged (Note (c))	72,693	73,831
Loans from non-controlling interests — unsecured (Note (d))	347,200	462,590
	1,615,380	2,107,761
Total borrowings	3,003,205	3,218,763

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

18 BORROWINGS (CONTINUED)

As at 30 June 2025, the Group's borrowings were repayable as follows:

	Bank loan		Other loan	
	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 1 year (on demand and within 1 year)	1,097,731	1,096,487	290,094	14,515
Between 1 and 2 years	248,130	515,503	138,652	247,907
Between 2 and 5 years	950,745	1,062,020	208,548	214,683
Later than 5 years	69,305	67,648	–	–
Total	2,365,911	2,741,658	637,294	477,105

- (a) As at 30 June 2025, the amounts comprise land and development loans which bore interest at 1.56% over one month Hong Kong Inter-bank Offered Rate ("HIBOR"), and 1.35% over one-month Singapore Interbank Offered Rate ("SIBOR") (31 December 2024: 1.56% over HIBOR, 1.56% over one-month Singapore Overnight Rate Average ("SORA") and 1.35% over one-month SIBOR) per annum. The loans were secured by mortgages over the Group's development properties for sale (Note 16) and legal assignment of all rights, title and interests in the construction contracts, insurance policies, property, plant and equipment, shares of a subsidiary, sale and purchase agreements in respect of the development properties for sale, personal and joint guarantee of the directors of certain subsidiaries and shareholder of a joint venture.
- (b) As at 30 June 2025, unsecured bank borrowings were guaranteed by the Group which bore interest at 1.3%–1.8% over one month HIBOR (31 December 2024: 1.3%–1.8% over one month HIBOR).
- (c) As at 30 June 2025, bank borrowings of approximately HK\$74,278,000 (31 December 2024: approximately HK\$74,575,000) were secured by mortgages over part of the Group's leasehold land and buildings. The effective interest rates of the loans were between 4.5% and 4.9% (31 December 2024: between 4.6% to 5.9%) per annum as at 30 June 2025. The loans will be repaid by fixed monthly payment over 6 years to 17 years (31 December 2024: 7 years to 18 years).
- (d) The loans from non-controlling interests of subsidiaries were unsecured. The loans of HK\$290,094,000 (31 December 2024: HK\$14,515,000) are classified as current liabilities due to repayable on demand clause and the remaining loans which will be repaid in more than twelve months from 30 June 2025 are classified as non-current liabilities. The effective interest rate was 4.0% and 5.0% as at 30 June 2025 (31 December 2024: 4.0% and 5.0%).
- (e) The fair values of the bank borrowings and the loans from non-controlling interests approximated their respective carrying values as at 30 June 2025 and 31 December 2024, as these borrowings were charged at market interest rates.
- (f) The Group's uncommitted banking facilities were subject to annual review. As at 30 June 2025, the undrawn banking facilities amounted to approximately HK\$30,000,000 (31 December 2024: approximately HK\$25,665,000).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

19 TRADE AND OTHER PAYABLES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Current		
Trade payables (<i>Note (b)</i>)		
— Related parties	1,708	1,282
— An associated company	—	151
— Third parties	1,728,844	1,644,259
	1,730,552	1,645,692
Other payables		
— Non-controlling interests	65,739	210,338
— Related parties	151,900	235,152
— Associated companies	495	278
— Third parties	152,911	53,172
— Goods and services tax payable	35,951	29,895
	406,996	528,835
Accruals for operating expenses	77,136	126,879
Accruals for construction costs	464,706	399,854
Deposits received from customers	34,284	10,538
Deferred gain	125,017	104,944
Provision for foreseeable losses on certain construction contracts	2,728	2,869
	703,871	645,084
	2,841,419	2,819,611

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

19 TRADE AND OTHER PAYABLES (CONTINUED)

Notes:

- (a) The credit terms granted by the suppliers were usually within 14 to 60 days.
- (b) The aging analysis of trade payables (including amounts due to related parties of trading in nature) based on invoice date was as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
1–30 days	1,260,542	1,029,423
31–60 days	184,620	334,389
61–90 days	99,107	109,709
Over 90 days	186,283	172,171
	1,730,552	1,645,692

Included in other payables, the amounts due to non-controlling interests, associated companies, related parties and third parties were unsecured, interest-free and repayable on demand. The carrying amounts of trade and other payables approximated their fair values.

20 SHARE CAPITAL

	Number of shares (thousands)	Share capital HK\$'000
Authorised:		
<i>Ordinary Shares</i>		
As 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	6,000,000	60,000
<i>CPS</i>		
As 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	1,000,000	10,000
Issued and fully paid:		
<i>Ordinary shares</i>		
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	1,518,320	15,183
<i>CPS</i>		
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	124,876	1,249

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

21 DIVIDENDS

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: same).

22 COMMITMENTS

Capital commitments

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Contracted but not provided for:		
Development expenditure	–	932
Machinery	–	1,400
	–	2,332

23 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in making financial or operational decisions. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

- (a) The following is a summary of significant related party transactions, in addition to those disclosed elsewhere in the Interim Financial Information, which were carried out in accordance with the terms agreed between the Group and the related parties and in the ordinary and usual course of business:

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Construction contracts revenue from associated companies	193,053	127,077
Construction contracts revenue from a related party	–	3,028
Construction contracts revenue from a joint venture	17,747	20,377
Dividend declared to non-controlling interests	55,486	3,127
Dividend income from associated companies	18,648	377,908
Management fee income from associated companies	22,331	8,417
Interest income from associated companies	31,377	17,106
Interest charged by non-controlling interests	9,754	28,821
Rental income from a joint venture	–	2,516

Outstanding balances as at the year-end dates arising from sale/purchase of goods and services, were unsecured and receivable/payable within 12 months from year-end dates, and were disclosed in Note 15 and Note 19.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

23 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management compensation

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Directors' fee, salaries, wages and allowances	33,081	20,052
Contribution to retirement benefit scheme	577	212
	33,658	20,264

24 PERFORMANCE BONDS AND CONTINGENT LIABILITIES

As at each statement of financial position date, the Group had the following performance bonds:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Guarantees on performance bonds in respect of construction contracts	1,615,462	955,177

The Company also issued corporate guarantees to banks for borrowings of the Group's associated companies, joint ventures and a related party of which the subsidiaries of the Company are non-controlling shareholders. As at 30 June 2025, corporate guarantees issued in relation to these bank borrowings amounted to HK\$1,681,563,000 (31 December 2024: HK\$1,596,630,000).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the six months ended 30 June 2025 (the “**Reporting Period**”), the Group had two major sources of income from foundation and construction business and property development and investment business.

Construction business

The construction projects undertaken by the Group can be broadly divided into two major geographical segments, namely “Singapore & Southeast Asia” and “Hong Kong & Macau”. In Singapore & Southeast Asia, the Group tenders for public construction works, and external private construction works and has been engaged in property development projects, whereas in Hong Kong & Macau, the Group is mainly responsible for superstructure construction, foundation works and provision of ancillary services with particular specialisation in piling works.

The Group’s revenue from Singapore and Southeast Asia for the Reporting Period was approximately HK\$2,513.1 million (six months ended 30 June 2024: approximately HK\$2,770.5 million).

During the Reporting Period, for the Singapore segment, the Group completed 3 external construction projects, including 2 public residential project and 1 private condominium project. During the Reporting Period, the Group obtained 1 public residential project awarded by the Housing & Development Board of Singapore with the contract sum of approximately HK\$1,053.2 million. As at 30 June 2025, the Group had 20 external construction projects on hand and the outstanding contract sums were approximately HK\$11,031.2 million.

During the Reporting Period, for the Southeast Asia construction market, the Group completed 1 private resort project. As at 30 June 2025, the Group had 6 external construction projects on hand and the outstanding contract sums were approximately HK\$979.7 million.

The Group’s revenue from the construction contracts in Hong Kong and Macau for the Reporting Period was approximately HK\$1,484.6 million (six months ended 30 June 2024: approximately HK\$1,478.6 million). During the Reporting Period, the Group had undertaken 3 new projects, mainly superstructure work for residential and public housing or facility projects in Hong Kong. The total contract sum of these projects was approximately HK\$1,321.9 million. As at 30 June 2025, there were 25 projects on hand with outstanding contract sums of HK\$6,993.9 million.

Property development and investment business

The Group focused on the property development and investment in residential projects in Singapore.

As of 30 June 2025, the accumulative contracted sales rate of Tenet (an executive condominium development project of the Group at Tampines Street 62, Singapore) was approximately 99.8%, with 617 units sold.

As of 30 June 2025, the accumulative contracted sales rate of Altura (an executive condominium development project of the Group at Bukit Batok West Avenue 8, Singapore) was approximately 99.3%, with 358 units sold.

As of 30 June 2025, the accumulative contracted sales rate of the Arden (a private condominium development project of the Group at Phoenix Road, Singapore) was approximately 82.1%, with 90 units sold.

As of 30 June 2025, the accumulative contracted sales rate of the Bloomsbury Residences (a private condominium development project of the Group at Media Circle, Singapore) was approximately 26.4%, with 117 units sold.

During the Reporting Period, the Group was granted a number of industrial awards, including Top 10 Developers in Singapore from BCI Asia.

MANAGEMENT DISCUSSION AND ANALYSIS

The sales revenue, sales area and average selling price ("ASP") of the major development project realised by the Group are set out in the table below:

Project	Sales Revenue (HK\$' million)	ASP (HK\$/sq.m)
	Six months ended 30 June 2025	Six months ended 30 June 2025

The Arden	404.31	113,196
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The Arden is a mid-end private condominium development project. The project recognised the sales revenue based on percentage of construction completion. During the Reporting Period, it recognised pre-sales revenue of HK\$404.31 million.

As at 30 June 2025, the Group's current portfolio of property development projects consisted of 2 private condominium development projects and 2 executive condominium development projects in Singapore. The total salable area ("SFA") is approximately 140,231 sq.m. The project details are as follows:

Project	Location	Intended use	Site area sq.m.	Total SFA sq.m.	Cumulative contracted sales area sq.m.	Cumulative contracted sales amount (HK\$ billion)	% of completion as at 30 June 2025	Estimated year of construction completion	Ownership interest
The Arden	2/2A/2B-24/24A/24B Phoenix Road, Singapore	Residential, Private and Retail Space	6,465	9,687	7,952	0.90	94.9%	March 2026	Subsidiary
Tenet	Tampines Street 62, Singapore	Residential	23,799	62,159	62,068	5.48	97.1%	December 2025	Associated company
Altura	Bukit Batok West Avenue 8, Singapore	Residential	12,499	38,951	38,665	3.64	80.0%	March 2026	Associated company
Bloomsbury Residences	61/63/65, Media Circle Road, Singapore	Residential, Private and Retail Space	10,632	29,434	7,785	1.23	10.5%	March 2028	Associated company

The Arden

The Arden is a private condominium project on a leasehold land with a lease term of 99 years. The project has a total land site area of 6,465 sq.m. and the total estimated gross floor area is 9,687 sq.m.. It is planned to be developed into 3 blocks of 5-storey apartments with about 100 residential units, underground car parks and communal facilities. The project is located at the even numbers of 2/2A/2B-24/24A/24B Phoenix Road.

The total SFA of this project is approximately 9,687 sq.m.. As of 30 June 2025, the percentage of saleable area sold was approximately 82.1% and the construction is scheduled to be completed in March 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Tenet

Tenet is an executive condominium project on a leasehold land with a lease term of 99 years, including 11 blocks 15-storey apartments with 618 residential units, 1 block of multi-storey carpark lots and 1 floor of underground car park. It has communal facilities and landscape views. The project is located at Tampines Street 62.

The total SFA of this project is approximately 62,159 sq.m.. As of 30 June 2025, the percentage of area sold was approximately 99.8% and the construction is scheduled to be completed in December 2025.

Altura

Altura is an executive condominium project on a leasehold land with a lease term of 99 years. The total land site area is 12,499 sq.m., including 6 blocks of 15-storey residential buildings with around 360 residential units, 1 block of multi-storey car park and 1 floor of underground car park. It has communal facilities and landscape views. The project is located at Bukit Batok West Avenue 8.

The total SFA of this project is approximately 38,951 sq.m. As of 30 June 2025, the percentage of area sold was approximately 99.3% and the construction is scheduled to be completed in March 2026.

Bloomsbury Residences

Bloomsbury Residences is a private condominium project on a leasehold land with a lease term of 99 years. The project has a total land site area of 10,632 sq.m. It is planned to be developed into 3 blocks of 14 to 23-storey apartments with about 358 residential units, complemented by ground-floor commercial spaces, above-ground and underground parking facilities, as well as public amenities and landscaped areas. The project is located at the numbers of 61/63/65 Media Circle Road.

The total SFA of this project is approximately 29,434 sq.m.. As of 30 June 2025, the percentage of saleable area sold was approximately 26.4% and the construction is scheduled to be completed in March 2028.

Land bank status

(1) Pasir Ris project, Singapore

As at 1 August 2024, the Group, Forsea Residence and ZACD Laserblue won a bid in respect of the land on jalan loyang baser located in pasir ris in Singapore at the consideration of S\$557 million. The site is an executive condominium project on a leasehold land with land use right of 99 years. The total land site area is 28,406 sq.m. and the SFA is estimated at 71,014 sq.m. It is intended to be developed into more than 700 residential units, equipped with underground car parks, communal facilities and landscape.

(2) Media Circle A project Singapore

As at 13 March 2025, the Group, Forsea Residence and Hoovasun Holding won a bid in respect of the land on One-North Mediapolis located in media circle A in Singapore at the consideration of S\$315 million. The site, is an executive condominium project on a leasehold land with land use right of 99 years. The total land site area is 28,230 sq.m. and the SFA is estimated at 7,630 sq.m. It is intended to be developed into about 325 residential units, ground-floor commercial space, underground parking facilities, along with public amenities and landscaped areas.

(3) Yau Tong project, Hong Kong

The Group acquired the land parcel located at Yau Tong Marine Lot No. 58 & 59 and their extensions thereto for a total consideration of HK\$530 million. The site area for the lots and its extensions thereto are approximately 17,400 sq. ft. and 5,400 sq. ft. respectively. The maximum allowable plot ratio under the Approved Outline Zoning Plan is 5. Town Planning Board Application to redevelop the site into a residential development was approved in June 2020. The amendment planning of project was approved in March 2022. General building plans were approved by the Buildings Department in February 2024. Land exchange procedures are currently in progress.

MANAGEMENT DISCUSSION AND ANALYSIS

(4) Sham Shui Po project, Hong Kong

In January 2023, the Group completed the acquisition for 100% aggregate ownership of all 4 lots located at 163–169 Yee Kuk St in Sham Shui Po. Together with its joint-venture partners, the site will be redeveloped into student apartment with restaurant and rooftop lounge. General building plans were approved by the Buildings Department in October 2020. Demolition works for the existing buildings were completed in the fourth quarter of 2023. The foundation work commenced in 2024.

The management believes that it is essential to replenish its land bank for the Group's sustainable project development in the coming years. The Group will follow its current strategy on land bank reserve whilst taking a prudent approach in selecting quality land at a reasonable price suitable for the Group's investment.

Investment in medicine fund

In 2020, the Group entered into subscription agreements to subscribe for limited partnership interests in a fund which is engaged in the investment in healthcare and biotechnology related business at an aggregate subscription amount of up to US\$25.64 million (equivalent to HK\$200 million). As at 30 June 2025, the Group had an aggregate subscription amount of approximately US\$20.92 million (equivalent to HK\$163 million). The fund is focusing on research and development of certain new medicines, including super antibiotics against super bacteria, and new drugs for the treatment of rheumatoid arthritis, chronic obstructive pulmonary disease and atopic dermatitis. Please refer to the announcement of the Company dated 21 May 2020 for further details.

The progress of the research and development of the drugs is as follows:

1. The new medicine for the treatment of chronic obstructive pulmonary disease was approved as an investigational new drug for Phase I clinical trial in the first half of 2021. As there are new requirements for technical review, we have updated the approval in February 2025 with additional information.
2. The new medicine for the treatment of atopic dermatitis was approved as an investigational new drug for Phase I clinical trial in the first half of 2022.
3. The new medicine of the super antibiotics was approved as an investigational new drug for Phase I clinical trial in the second half of 2022.
4. The new medicine for treatment of rheumatoid arthritis was approved as an investigational new drugs for Phase I clinical trial in the second half of 2023.

Currently, the relevant clinical plans for the four new medicines have been formulated and further adjustments will be made given the changing market situation. In view of the gradual recovery of the biopharmaceutical market overall, according to feedback from the fund manager, it is expected to promptly initiate the clinical program for 1-2 new drugs. In addition, the Company has communicated with the fund manager and does not rule out the possibility of finding suitable industrial partners for joint research and development or the transfer of interests.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's total revenue for the Reporting Period was approximately HK\$4,404.1 million (six months ended 30 June 2024: approximately HK\$4,883.6 million), representing a decrease of approximately 9.8% over the six months ended 30 June 2024. The decrease was mainly due to the decrease in sales revenue recognition from property development projects during the Reporting Period.

During the Reporting Period, the revenue of the "Foundation and construction — Hong Kong and Macau" segment was approximately HK\$1.48 billion (six months ended 30 June 2024: approximately HK\$1.48 billion), representing an increase of approximately 0.4% over the six months ended 30 June 2024.

During the Reporting Period, revenue derived from the projects in Singapore and Southeast Asia was approximately HK\$2.92 billion (six months ended 30 June 2024: approximately HK\$3.41 billion). Out of the HK\$2.92 billion revenue derived from the Singapore segment, revenue derived from construction business was HK\$2.51 billion, representing a decrease of 9.3% over the six months ended 30 June 2024; the aggregate contracted sales of properties amounted to HK\$0.4 billion, representing a decrease of 35.9% over the six months ended 30 June 2024.

Gross Profit Margin

The Group's gross profit margin during the Reporting Period was approximately 6.8% (six months ended 30 June 2024: approximately 5.7%). The increase in gross profit margin was mainly due to optimisation of construction cost in Singapore and hence the gross profit margin increased during the Reporting Period when compared to the six months ended 30 June 2024.

Selling and Marketing Expenses

The Group's selling and marketing expenses for the Reporting Period were approximately HK\$26.8 million (six months ended 30 June 2024: approximately HK\$24.8 million), which was approximately 0.6% (six months ended 30 June 2024: approximately 0.5%) of the Group's total revenue. The increase was mainly due to the higher sales commission expenses incurred for property sales during the Reporting Period.

General and Administrative Expenses

The Group's general and administrative expenses for the Reporting Period were approximately HK\$128.7 million (six months ended 30 June 2024: approximately HK\$133.4 million), representing a decrease of approximately 3.6% over the six months ended 30 June 2024. The decrease was mainly due to the decrease in legal and professional fees recognized during the Reporting Period.

Finance Costs

During the Reporting Period, the Group has decreased their total borrowings and due to HIBOR dropping significantly in second quarter of 2025, the Group's finance costs decreased to approximately HK\$70.5 million during the Reporting Period (six months ended 30 June 2024: approximately HK\$148.1 million).

Net Profit

During the Reporting Period, the Group recorded a net profit of approximately HK\$51.0 million (six months ended 30 June 2024: net profit of approximately HK\$29.6 million). The profit attributable to owners of the Company was approximately HK\$29.9 million (six months ended 30 June 2024: profit attributable to owners of the Company of approximately HK\$23.8 million). The increase in the net profit was mainly due to the significant cost saving effect of decrease in finance costs.

Basic earnings per share was HK\$0.018 (six months ended 30 June 2024: HK\$0.014).

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK

Stepping into 2025, the global economic environment has shown slower growth, with intensifying global trade frictions, uncertainty surrounding tariff policies, persistently high inflation, a delayed pace of U.S. Federal Reserve interest rate cuts, and ongoing structural challenges facing the economy. Despite these headwinds, the Group delivered overall stable and solid performance across its three key regions, namely Hong Kong, Singapore and Malaysia.

According to the latest plans from Singapore's Building and Construction Authority and other relevant government agencies, construction demand and output in Singapore are expected to remain robust in 2025, primarily driven by large-scale, government-led infrastructure projects. These include Changi Airport Terminal 5 (T5) project, the Tuas Port project, public housing developments, and the expansion of the transportation network. Over the next five years, Singapore's annual construction demand is projected to remain in the range of S\$39 billion to S\$46 billion, supported by ongoing projects in housing, transportation and public infrastructure. With the backing of government policies, the rollout of key infrastructure projects, and the advancement of digitalization and green building strategies, Singapore's construction industry is expected to maintain a steady growth trajectory.

According to the announcement released by the Ministry of Trade and Industry of Singapore, the gross domestic product (GDP) of Singapore is expected to slow down and grow by only about 1%-3% in 2025. In the long term, Singapore's economy will remain competitive. According to the World Competitiveness Yearbook 2025 released by International Institute for Management Development (IMD), Singapore ranks second globally and maintains its leading position among Asian economies. On the other hand, the Singapore Government Land Sales (GLS) for the second half of 2025 will release 10 confirmed list sites, which are expected to yield 4,725 private residential units. For the full year, a total of 20 confirmed list sites will be released, available to yield approximately 9,800 private residential units for providing sufficient supply to maintain the stability of the housing market. The Singapore market continues to offer long-term growth opportunities and expansion space for the Group. The Group will continue to strengthen its presence in the Singapore market and seek quality projects to solidify its standing as a mainstream local developer.

According to statistics from the Construction Industry Development Board (CIDB), the construction industry in Malaysia is expected to grow by 6.1% in 2025. In 2024, the value of construction projects increased by 20.2% year-on-year, which was driven by public infrastructure investment, a recovery in private sector confidence and policy initiatives. At present, the construction industry in Malaysia is in a transitional stage from traditional construction models to digital, green and infrastructure-driven ones. According to the research report, the average annual growth rate of the industry is expected to be around 4.4% from 2025 to 2028, and the industry will continue to benefit from the sustained investment in transportation infrastructure, energy and manufacturing, as well as the waves of digitalization and sustainable development.

In the first half of 2025, Hong Kong's first quarter construction market recorded moderate growth, with the total value of construction works rising by 1.9% year-on-year to HK\$70.5 billion. According to the Census and Statistics Department of the Hong Kong Government, such growth was primarily driven by a significant increase in public sector engineering projects, with public works registering a nominal year-on-year growth of 17.4%. This reflects the ongoing progress of infrastructure development projects. In addition, according to the 2025–2026 Budget, the supply of public housing units is expected to reach 190,000 over the next five years, while that of private housing units is projected to reach 80,000. To expedite the construction efficiency of public housing, the Hong Kong Housing Authority pledged to continue implementing and optimizing the modular integrated construction (MiC) method. Starting from the 2025/26 financial year, the Housing Authority will adopt the second-generation modular integrated construction method (MiC 2.0) in the design and planning of new projects. Moreover, the Hong Kong Government is accelerating the planning for the development of the Northern Metropolis and has earmarked HK\$3.7 billion to expedite the infrastructure and utility facilities for Phase I of the Hetao Hong Kong Park. Looking ahead to the next five to ten years, Hong Kong's construction market will see an increase in the overall volume of works, bringing broader development prospects and growth opportunities for the construction industry. The Group will continue to focus on the public housing construction market and will certainly benefit from the rich experience of the prefabricated prefinished volumetric construction projects in Singapore and gain more development opportunities.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Hong Kong property market, transaction activity remained robust in the first half of 2025, with property prices gradually stabilizing and exhibiting a trend of “rising transaction volumes and stable prices.” According to the Hong Kong Land Registry, the number of private residential property transactions from January to June 2025 increased by 15% compared to the second half of 2024, reaching a new high since 2022. According to the Rating and Valuation Department’s statistics, Hong Kong’s private domestic price index rose for three consecutive months, narrowing the decline in housing prices in the first half of the year to 0.86%. Meanwhile, the rental index rose by 0.3% month-on-month, marking seven consecutive months of increases, indicating that the property market is entering a phase of steady recovery. Looking ahead to the second half of 2025, with the U.S. Federal Reserve expected to initiate a rate-cutting cycle, local mortgage interest rates are anticipated to decline further, attracting more potential buyers and investors back to the market. Simultaneously, the government continues to refine housing policies, including potential measures to relax restrictions on withdrawals from the Mandatory Provident Fund (MPF) and expand the Capital Investment Entrant Scheme, injecting fresh demand into the market. Additionally, as the number of completed private residential units continues to decline while market transactions remain active, the inventory of private residential properties is steadily decreasing, leading to a gradual improvement in the supply-demand balance. Consequently, the Hong Kong property market is poised to rebound from its downturn and enter a period of steady growth.

The Group will continue to maintain the advantages of its collaborative business development model in the established markets, develop in an active and steady way through quality, progress and cost control, and maintain its competitive advantage in the major markets of Singapore, Hong Kong and Malaysia to make profound and steady progress. It will keep maintaining good business relationships with government agencies to maximize the number of project contracts awarded, and strengthen the active development of social projects as well as participate in other projects such as commercial properties, industrial plants or public utilities. The Group will continue to establish a long-term and solid development blueprint to create higher returns for the shareholders of the Company (the “**Shareholders**”).

DEBTS AND CHARGE ON ASSETS

The total interest bearing bank borrowings of the Group, including bank loans, loans from non-controlling interests and lease liabilities, decreased from approximately HK\$3.3 billion as at 31 December 2024 to approximately HK\$3.1 billion as at 30 June 2025. Borrowings were denominated mainly in Singapore Dollar, Hong Kong Dollar and US Dollar. Interests on bank borrowings were charged at floating rates. The Group currently does not have an interest rate hedging policy and the Group monitors interest risks continuously and considers hedging any excessive risk when necessary.

These banking facilities were secured by the Group’s property, plant and equipment and development properties for sale with net carrying amounts as at 30 June 2025 of HK\$187,092,000 (As at 31 December 2024: HK\$201,865,000) and HK\$836,201,000 (As at 31 December 2024: HK\$1,018,419,000), respectively.

Details of borrowings are set out in note 18 to the unaudited condensed consolidated interim financial information.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group adopts a conservative approach towards its treasury policies.

The Group has funded the liquidity and capital requirements primarily through bank borrowings and cash inflows from the operating activities.

As at 30 June 2025, the Group had cash and cash equivalents of approximately HK\$0.8 billion (As at 31 December 2024: HK\$1.1 billion) of which approximately 70.9% was held in Singapore Dollar, 26.3% was held in Hong Kong Dollar and the remaining was mainly held in Malaysian Ringgit and US Dollar. The gearing ratio of the Group as at 30 June 2025 (defined as the net debt divided by total equity plus net debt, where net debt is defined as borrowings less cash and cash equivalents and pledged bank deposits) was approximately 43.9% (As at 31 December 2024: approximately 43.6%).

During the Reporting Period, the Group has employed foreign exchange forward contracts for hedging purposes.

MANAGEMENT DISCUSSION AND ANALYSIS

FOREIGN EXCHANGE

Since the Group mainly operates in Singapore and Hong Kong and most of the revenue and transactions arising from its operations were settled in Singapore Dollar and Hong Kong Dollar, and the Group's assets and liabilities were primarily denominated in Singapore Dollar and Hong Kong Dollar, the Board believes that the Group will have sufficient foreign exchange to meet its foreign exchange requirements. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates. During the Reporting Period, the Group minimises its foreign exchange exposure of borrowing by way of entering into forward contracts with reputable financial institutions. The hedging policies are regularly reviewed by the Group.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

During the Reporting Period, there was no significant investment, material acquisition and disposal of subsidiaries, associated companies and joint ventures by the Company.

CAPITAL COMMITMENTS

As at 30 June 2025, the Group had capital commitments of HK\$nil (31 December 2024: HK\$0.9 million) for development expenditure, and HK\$nil (31 December 2024: HK\$1.4 million) for purchase of property, plant and equipment. Save as disclosed in this report, the Group did not have any existing plan for acquiring other material investments or capital assets.

CONTINGENT LIABILITIES

Save as disclosed in note 24 to the unaudited condensed consolidated interim financial information, the Group had no other contingent liabilities as at 30 June 2025 and 31 December 2024.

EVENT AFTER THE REPORTING PERIOD

Save as otherwise disclosed in this report, there are no significant events after the Reporting Period and up to the date of this Report.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had 2,846 full-time employees (31 December 2024: 2,916 full-time employees). Most of the Group's employees were based in Singapore and Hong Kong. The remuneration policy and package of the Group's employees are periodically reviewed on the basis of the job nature, market condition, company performance and individual performance. Apart from mandatory provident fund and in-house training programmes, salaries increment and discretionary bonuses may be awarded to employees according to the assessment of individual performance.

The total remuneration cost incurred by the Group for Reporting Period was approximately HK\$481.6 million compared to approximately HK\$465.9 million for the six months ended 30 June 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT SHARE SCHEME

Pursuant to the Share Purchase Agreement dated 23 May 2015 entered into between the Company and Guotsing Holding (South Pacific) Investment Pte. Ltd. in respect of the Company's acquisition of the entire issued share capital of Wang Bao Development Limited ("**Acquisition**"), a management share scheme (the "**Management Share Scheme**") was set up by Guotsing Holding Company Limited ("**Guotsing BVI**") and a trust ("**Trust**") was constituted on 15 October 2015. Part of the consideration for the Acquisition was settled by the Company issuing 304,599,273 new non-redeemable convertible preference shares (the "**CPS**") of the Company to the trustee of the Trust for the purpose of the Management Share Scheme. The Management Share Scheme had a term commencing from the completion of the Acquisition and expired on 1 April 2022 ("**Expiry Date**"). The Management Share Scheme involves only existing CPS.

The Management Share Scheme had expired on 1 April 2022. No further grant of CPS is allowed. However, the Trust is still valid, and the trust period has been automatically extended quarterly until receipt of notice from Guotsing BVI. Pursuant to the rules of the Management Share Scheme, all the CPS remaining under the Trust shall be transferred to Guotsing BVI by the trustee of the Trust upon expiry of the Management Share Scheme.

As at 1 January 2025, 30 June 2025 and the date of this report, there was no unvested CPS under the Management Share Scheme and during the Reporting Period, no CPS was granted, vested, cancelled or lapsed under the Management Share Scheme. As the Management Share Scheme is expired on the Expiry Date, no further CPS would be granted thereunder. As such, the amount of the CPS that was available for issue under the Management Share Scheme as at 1 January 2025, 30 June 2025 is nil.

There are no other information that are required to be disclosed under rule 17.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") regarding the Management Share Scheme.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S SECURITIES

On 20 June 2025, the Shareholders granted a general mandate (the "**Repurchase Mandate**") to the directors of the Company to repurchase the ordinary shares of the Company at the annual general meeting (the "**AGM**"). Pursuant to the Repurchase Mandate, the Company is allowed to repurchase up to 151,832,003 Shares, being 10% of the total number of issued Shares as at the date of the AGM, on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

CHANGE IN INFORMATION OF DIRECTOR(S) UNDER RULE 13.51B(1) OF THE LISTING RULES

After having made all reasonable enquiry, the Company is not aware of any information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the annual report of the Company for the year ended 31 December 2024 and up to the date of this report.

DISCLOSURE OF INTEREST

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

As at 30 June 2025, interests or short positions in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) held by the Directors and chief executive of the Company which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register required to be kept by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix C3 to the Listing Rules are as follows:

Interests in the shares and underlying shares of the Company

Name of director	Capacity	Number of shares and underlying shares of the Company held in long position	Approximate percentage of interests
Mr. Wang Congyuan	Beneficiary of a trust (note 1)	6,189,663	0.41%
	Beneficial owner	1,944,916	0.10%
Mr. Li Jun (李軍)	Beneficiary of a trust (note 1)	2,602,497	0.17%
	Beneficial owner	990,624	0.06%
Dr. Du Bo	Interest in controlled corporation (note 2 and note 3)	1,124,759,528	74.08%
	Beneficiary of a trust (note 1)	45,689,892	3.01%
	Beneficial owner	12,504,972	0.82%
Mr. Du Dexiang	Beneficial owner (note 3)	100,000,000	6.59%

Notes:

1. This represents long position in the underlying CPS under the Awards granted under the Management Share Scheme. Please refer to the paragraph headed "Management Share Scheme" in this report for more details.
2. The 1,024,759,528 Shares are deemed to be interest by Dr. Du Bo, as the Shares are held by Guotsing BVI, which is a company wholly-owned by Hao Bo Investments Limited, which in turn is held as to 48.55% by Top Elate Investments Limited and 51.45% by Bliss Wave Holding Investments Limited. Bliss Wave Holding Investments Limited is a company held as to 74.53% by Hui Long Enterprises Limited, which is a company wholly-owned by Dr. Du Bo. Top Elate Investments Limited is a company wholly-owned by Qingdao Qingjian Holdings Co. which in turn is held as to 99.98% by the Qingdao ZhiXinDa Enterprise Management Partnership (Limited Partnership). The managing partner of Qingdao ZhiXinDa Enterprise Management Partnership (Limited Partnership) is Qingdao Huizhide Management Consulting Co., Ltd.
3. The 100,000,000 Shares are deemed to be interest by Dr. Du Bo and Mr. Du Dexiang, as the Shares are held by Victorious Path International Limited, which is a company wholly-owned by Guotsing Group (HK) Limited, which in turn is wholly-owned by Hyday (South Pacific) Investment Pte Ltd., which in turn is wholly-owned by Guotsing Holding (South Pacific) Investment Pte. Ltd., which in turn is wholly-owned by Guotsing Holding Group Co. Ltd. Guotsing Holding Group Co. Ltd is a company held as to 42.1% by Shanghai Heliyuan Investment Ltd and 57.9% by Qingdao Qingjian Holdings Co. which in turn is held as to 99.98% by the Qingdao ZhiXinDa Enterprise Management Partnership (Limited Partnership). Shanghai Heliyuan Investment Ltd is a company held as to 59.5% by Dr. Du Bo and 40% by Mr. Du Dexiang.

DISCLOSURE OF INTEREST

Save as disclosed above, as at 30 June 2025, none of the Directors nor 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) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Long position in the shares and underlying shares

Name of substantial shareholder	Capacity/Nature of interest	Number of shares and underlying shares of the Company held/interested	Approximate Shareholding Percentage
Hui Long Enterprises Limited	Interest in controlled corporation (Note 1)	1,024,759,528	67.49%
Bliss Wave Holding Investments Limited	Interest in controlled corporation (Note 1)	1,024,759,528	67.49%
Top Elate Investments Limited	Interest in controlled corporation (Note 1)	1,024,759,528	67.49%
Hao Bo Investments Limited	Interest in controlled corporation (Note 1)	1,024,759,528	67.49%
Guotsing Holding Company Limited	Beneficial owner (Note 1)	756,421,520	49.82%
	Interest in controlled corporation (Notes 1, 2 and 3)	268,338,008	17.67%
Trustee	Trustee (Note 5)	124,875,197	8.22%
Qingdao Huizhide Management Consulting Co., Ltd.	Interest in controlled corporation (Note 1)	1,124,759,528	74.08%
Qingdao ZhiXinDa Enterprise Management Partnership (Limited Partnership)	Interest in controlled corporation (Note 1)	1,124,759,528	74.08%
Qingdao Qingjian Holdings Co.	Interest in controlled corporation (Note 1)	1,124,759,528	74.08%
CNQC Development Limited	Beneficial owner (Note 2)	224,145,000	14.76%
Guotsing Finance Holding Limited	Interest in controlled corporation (Note 3)	44,193,008	2.91%
Guotsing Asset Management Limited	Interest in controlled corporation (Note 3)	44,193,008	2.91%
Guotsing Growth Fund LP I	Beneficial owner (Note 3)	44,193,008	2.91%
China Great Wall AMC (International) Holdings Company Limited	Beneficial owner	142,000,000	9.35%

DISCLOSURE OF INTEREST

Name of substantial shareholder	Capacity/Nature of interest	Number of shares and underlying shares of the Company held/interested	Approximate Shareholding Percentage
Shanghai Heliyuan Investment Limited	Interest in controlled corporation (Note 4)	100,000,000	6.59%
Guotsing Holding Group Company Limited	Interest in controlled corporation (Note 4)	100,000,000	6.59%
Guotsing Holding (South Pacific) Investment Pte. Ltd.	Interest in controlled corporation (Note 4)	100,000,000	6.59%
Hyday (South Pacific) Investment Pte. Ltd.	Interest in controlled corporation (Note 4)	100,000,000	6.59%
Guotsing Group (HK) Limited	Interest in controlled corporation (Note 4)	100,000,000	6.59%
Victorious Path International Limited	Beneficial owner (Note 4)	100,000,000	6.59%

Notes:

- (1) Guotsing BVI is a company wholly-owned by Hao Bo Investments Limited, which in turn is held as to 48.55% by Top Elate Investments Limited and 51.45% by Bliss Wave Holding Investments Limited. Bliss Wave Holding Investments Limited is a company held as to 74.53% by Hui Long Enterprises Limited. Top Elate Investments Limited is a company wholly-owned by Qingdao Qingjian Holdings Co. which in turn is held as to 99.98% by the Qingdao ZhiXinDa Enterprise Management Partnership (Limited Partnership). The managing partner of Qingdao ZhiXinDa Enterprise Management Partnership (Limited Partnership) is Qingdao Huizhide Management Consulting Co., Ltd..
- (2) The 224,145,000 Shares were held by CNQC Development Limited ("**CNQC Development**") as at 30 June 2025. CNQC Development is wholly-owned by Guotsing BVI.
- (3) Guotsing Asset Management Limited is the General Partner of Guotsing Growth Fund LP I, and is in turn wholly-owned by Guotsing Finance Holding Limited, which is wholly-owned by Guotsing BVI.
- (4) Victorious Path International Limited is wholly-owned by Guotsing Group (HK) Ltd, which is in turn wholly-owned by Hyday (South Pacific) Investment Pte. Ltd, which is wholly-owned by Guotsing Holding (South Pacific) Investment Pte. Ltd. Guotsing Holding (South Pacific) Investment Pte. Ltd is a company wholly-owned by Guotsing Holding Group Limited, which in turn is held as to 57.9% by Qingdao Qingjian Holdings Co. and 42.1% by Shanghai Heliyuan Investment Limited.
- (5) This represents the CPS under the Awards held by the Trustee pursuant to the Management Share Scheme. Please refer to the paragraph headed "Management Share Scheme" in this report for more details.

Save as disclosed above, as at 30 June 2025, to the best information, knowledge and belief of the Directors, no person (other than the Directors and chief executive of the Company), had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 30 June 2025, the Group provided financial assistance to its affiliated companies in an aggregate amount of approximately HK\$3,735.8 million. The aggregate amount of the Group's financial assistance given to its affiliated companies (as defined under Rule 13.11(2)(a) of the Listing Rules) exceeded 8% of the relevant percentage ratio under the Listing Rules. The Group has equity interests ranging from 5% to 50% in these affiliated companies.

See note 15 to the unaudited condensed consolidated interim financial information for details of the financial assistance provided to the Company's affiliated companies.

A pro forma combined statement of financial position of these affiliated companies with financial assistance from the Group and the Group's attributable interests in these affiliated companies as at 30 June 2025 were as follows:

	Combined statement of financial position <i>HK\$'000</i>	Group's attributable interests <i>HK\$'000</i>
Non-current assets	262,232	92,434
Current assets	27,616,017	7,670,929
Current liabilities	(8,973,330)	(3,131,836)
Total assets less current liabilities	18,904,919	4,631,527
Non-current liabilities	(18,821,454)	(4,576,298)
Net assets	83,465	55,229

Note:

Significant items included are as below:

Current asset

Development properties for sale	25,462,998	7,194,597
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Current liabilities

Trade and other payables	1,763,550	469,921
Contract liabilities	3,940,361	1,274,706
Borrowings	3,265,362	1,386,715

Non-current liability

Borrowings	18,821,454	4,576,298
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CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE

Corporate Governance Code

The Company had complied with all the applicable code provisions as set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules during the Reporting Period.

On 28 August 2025, Ms. Liu Juan ("**Ms. Liu**") has resigned as an independent non-executive Director. Following her resignation, the Company has a single gender Board, which does not meet the board diversity requirement under Rule 13.92 of the Listing Rules.

The Company will use its best endeavours to identify and appoint a suitable female candidate as a Director to meet the relevant requirement as soon as practicable, in any event within three (3) months from the date of resignation of Ms. Liu. The Company will make further announcement(s) as and when appropriate.

Code of Conduct Regarding Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as the code of conduct of the Company regarding directors' transactions of the listed securities of the Company.

The Company has made specific enquiry to all Directors, and all Directors have confirmed that they had complied with the required standards set out in the Model Code and its code of conduct during the Reporting Period.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The audit committee of the Company (the "**Audit Committee**") has reviewed with the Company's management the accounting principles and practices adopted by the Group and discussed internal controls, risk management and financial reporting matters including the review of the unaudited interim financial statements for the Reporting Period and was satisfied that these unaudited financial statements were prepared in accordance with applicable accounting standards.

By order of the Board
Mr. Wang Congyuan
Chairman

Hong Kong
29 August 2025