

股份代號 Stock Code: 00604



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Corporate Information

Executive Directors

Mr. WANG Yuwen, Chairman

Ms. CAI Xun

Mr. YAN Zhongyu

Ms. SHI Xiaomei

Independent Non-Executive Directors

Mr. Ll Wai Keung

Dr. WONG Yau Kar. David

Prof. GONG Peng

Audit Committee

Mr. LI Wai Keung, *Chairman* Dr. WONG Yau Kar, David

Prof. GONG Peng

Nomination Committee

Dr. WONG Yau Kar, David, Chairman

Mr. WANG Yuwen

Ms. CAI Xun

Mr. LI Wai Keung

Prof. GONG Peng

Remuneration Committee

Dr. WONG Yau Kar, David, Chairman

Mr. LI Wai Keung

Prof. GONG Peng

Company Secretary

Mr. LEE Ka Sze, Carmelo

Share Listing

The Stock Exchange of Hong Kong Limited (Stock code: 00604)

Auditor

Ernst & Young, *Certified Public Accountants* Hong Kong *Registered Public Interest Entity Auditor*

Registered Office

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Share Registrar

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Chairman's Statement



In the first half of 2025, the Group steadfastly pursued its annual objectives through dual focuses on transformation initiatives and operational advancement. Rising to the challenges courageously and taking proactive measures, the Group drove all operations to achieve solid progress. During the first half of the year, the Group achieved a revenue of HK\$10.35 billion, representing a year-on-year increase of 175%. Our gross profit reached HK\$1.77 billion, representing a year-on-year increase of 63%, with gross profit margin of 17%, representing a decrease of 12 percentage points as compared to the same period of last year; operating profit was HK\$704 million. However, as affected by the losses from associates, substantial provisions for the asset impairment, together with the increase in tax expenses, loss attributable to the owners of the Company was HK\$2.62 billion.

I. BUSINESS REVIEW FOR THE FIRST HALF OF 2025

(I) Our real estate business met expectations

In the first half of the year, the Group implemented a special action on destocking, making breakthroughs in assessment and incentive mechanisms to accelerate sales through concerted efforts across all levels. The Group achieved contracted property sales of approximately RMB6.8 billion (approximately HK\$7.4 billion), outpacing the market trend. Against a year-on-year nationwide drop of 5.5% in new home sales, the Group's sales of real estate increased by 10% as compared to the same period of last year. Projects including Luxury Mansion, Natural City, Shum Yip Cloud Center and Tairong Mansion delivered sales breakthroughs through tailored strategies. Major properties development progressed **steadily.** with 6 projects, including Zhongshan Parkview Garden, successfully completed. In the first half of the year, the Group's income recognized from development amounted to HK\$7.46 billion, representing a significant increase of 633% as compared to the same period of last year, and the gross profit margin of development was 14%, representing a yearon-year decrease of 18 percentage points. The urban renewal projects in Shenzhen achieved important progress: a land contract was signed for the south land plot of Phase Il of the First Renewal Unit in Chegongmiao, which officially entered development phase; the revitalization of land resources advanced effectively by making revitalizing solutions for historical undeveloped and unconfirmed lands, with progress accelerated on unconfirmed lands such as Luohu Jinzhi Land Plot and Pingshan Gaofa Land Plot.





(II) Property rental business operated in a steady manner

In the first half of the year, amid intensifying commercial competition and lasting office market downturn, the Group rose to the challenge and took proactive measures, achieving a revenue of approximately HK\$650 million from investment properties; our overall occupancy rate remained at 90%, consistently outperforming the market. The Group continued to promote the renovation and upgrade of old properties, effectively driving simultaneous gains in asset value and rental income. The Group rolled out a multi-pronged approach to enhance tenant sourcing, in particular, Upperhills' office buildings pioneered a "zero-capital fitted-out delivery" model and secured 7 high-quality corporate clients against market trends, signing approximately 70 new branded tenants in the commercial sector.

(III) Our urban integrated operation business progressed steadily

In the first half of the year, the Group recorded revenue from property management of approximately HK\$1.59 billion, representing an increase of 8% over the same period of last year. Our comprehensive strength in property operations improved steadily. Building on the operational area exceeding 100 million square meters by the end of last year, a net expansion of 3.11 million square meters was achieved in the first half of the year, with a total contract value of RMB410 million. Newly added projects included the property management urban projects in Shenzhen's Dongmen and Sungang Sub-districts, as well as Zhengpu Port New District in Ma'anshan. We also won bids for multiple property projects from China Mobile and Bank of Communications. Shum Yip Operations was ranked 14th among the "Top 100 Property Service Enterprises in China for 2025" by the China Index Academy. Brand effect of our commercial operations became evident. The Group launched a new "3+X" commercial product line strategy, and Shenzhen's first in-town duty-free store had a grand opening on 26 August 2025. We advanced development of "mall + park + cultural-sportstourism" concept franchise, and successfully held more than 160 featured events, including Spartan Race and Guangdong-Hong Kong-Macao Greater Bay Area Flower Show, etc. Upperhills attracted over 20 million visitors with 29% growth in commercial sales in the first half of the year.

Chairman's Statement

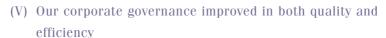


Our hotel operation scale continued to expand, with the successful opening of Wuyishan Jingju Resort Hotel (武夷山憬居度假酒店). Currently, the Group operates or manages a total of 8 hotels with 9 additional hotels under development. Our hotel operation demonstrated strong resilience in the first half of the year, generating revenue of approximately HK\$210 million, representing an increase of 3% as compared to the same period of last year. Mandarin Oriental Shenzhen capitalized on opportunities from the "Concert Economy", achieving top room revenue in the competition among Shenzhen's luxury hotels; Shenzhen MUJI Hotel and Shenzhen Jingju Hotel achieved remarkable results in corporate client expansion, exceeding their operational targets.

(IV) Our technology industry investment business advanced in an orderly manner

The operational efficiency of advanced manufacturing has improved significantly. Jinghua Company, a subsidiary of the Group and a national-level specialized, refined, differentiated and innovated "Little Giants" enterprise, recorded an increase of 27% in operational revenue and an increase of 106% in net profit for the first half of the year, respectively, as compared to the same period of last year. The establishment of overseas production base progressed on schedule. **Our modern agriculture business made breakthroughs in revenue generation**, with revenue increasing by 108%. Dapeng and Nan'ao Seasons Countryside commenced operation successfully; agricultural-product sales achieved a "zero-to-one" breakthrough with their first export shipment to Hong Kong; we also actively launched Pet Economy initiatives, and start the layout of pet testing and quarantine services. **The park's "promotion-investment linkage" model continued to be improved**. Leveraging an industrial fund jointly established with the parent company, the Group deployed capital to energize both tenant sourcing and park operations, anchoring new-quality productive forces to attract high-quality sci-tech enterprises to settle in.





The financial management of the Group delivered tangible outcomes. We have successfully arranged and replaced a HK\$4 billion syndicated loan to ensure fund security; we further reduced the scale of HK\$ debts, with a net decrease of HK\$700 million in HK\$ loans of the Company. Our asset-liability structure maintained sound with a gearing ratio excluding advance receipts of 68.1%. Our expense control became more efficient, with a decline in administrative expenses of 18% as compared to the same period of last year. Our institutional system has been further strengthened: a series of regulations have been revised and introduced, providing solid safeguards for compliance, security, and strategic development. Our ESG performance remained outstanding. The Group maintained its rating of A from MSCI ESG, and received a rating of A from 2025 Wind ESG. Our talent team development became more reasonable. We built an internal recruitment platform for vacant positions and promoted the transfer of employees from the real estate development department to operation and other departments to align with business transformation.

Despite that the Group significantly increased its revenue and maintained the stability of its core business in general by adopting a series of effective measures, the severe industry environment led to the continuous loss of its associates, causing material negative impact on the Group. We had established mechanisms to closely monitor the associates on their operation status, debt restructuring progress and risk mitigation. During the period, we had made sufficient impairment provisions for our long-term equity investment in Road King Infrastructure Limited ("Road King Infrastructure", stock code: 1098.HK), the remaining carrying amount has fairly reflected its market value, and subsequently, Road King Infrastructure will not have a significant impact on the Group's performance. Look forward, the Group will focus more on its own operation and transformation, promote high-quality development and safeguard the long-term interests of the Company and shareholders.



Chairman's Statement



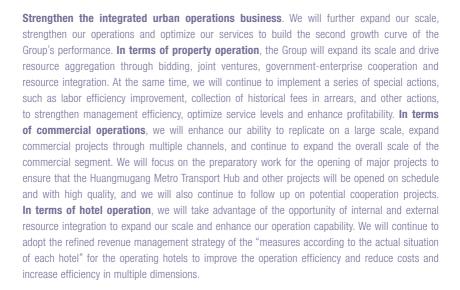
II. BUSINESS PLAN FOR THE SECOND HALF OF THE YEAR

In the second half of the year, the Group will focus on "stable performance", making an all-out sprint to meet annual targets. The Group will zero in on weaknesses and gaps, to ensure every objective is fully delivered and core performance is secured.

Accelerate real estate sales de-stocking. Real estate sales de-stocking is the key to the completion of sales, revenue, profit and other performance indicators. In the face of increased competition in the market situation for the second half of the year, the Group will adopt a segmented marketing strategy. Firstly, the Group will focus on promoting core projects such as Natural City, strengthen the co-ordination of the arrangement and implement the sales return. Secondly, the Group will target at the popular projects such as Luxury Mansion, Cloud Center and Tairui Mansion, which had a stable trend in the first half of the year, and will take advantage of the market opportunities to maintain the flow rate and contribute to the over-performance. Thirdly, the Group will target at the projects entering the market to unleash the potential of incremental capacity. By focusing on the 5 new projects entering the market such as Cuiwei Valley, the Group will make every effort to make preparations for the opening of the market and refine the customer storage action in order to strive to achieve a good start. Fourthly, the Group will pay close attention to the inventory projects, and optimize the inventory structure by formulating a marketing strategy in line with the market, and applying flexible sales tactics to firmly de-stock.

Strengthen the management of real estate assets. In the face of the increasingly competitive environment of the commercial and office market in Shenzhen, the Group will continue to strengthen the investment operation and efficiency enhancement of its leasing properties, and take various measures to safeguard the stability of rental income. Firstly, the Group will take the initiative to expand resource channels, and increase investment promotion and lease renewal efforts. The Group will optimize rental strategies according to market dynamics, and provide customized solutions for quality customers, to enhance project competitiveness. Secondly, the Group will continue to promote the transformation and upgrading of old properties, standardize the leasing process and revitalize inefficient assets. Thirdly, the Group will lay out major projects in progress in a forward-looking manner, accelerate the development of the "water street" (水街), the commercial component of Bay Front. By considering the asset-operation needs in advance at the development stage, the Group will ensure that the Phase II of the First Renewal Unit in Chegongmiao is precisely aligned with regional market demand and make products in high quality.





Actively promote the landing of strategic resources. We will steadily push forward interest integration and urban renewal projects, and will continue to promote the Bagualing Area 6-1 project, the Shangbu Industrial Zone project and the Henggang South project, with a view to releasing the existing resources for urban renewal and interest integration in an orderly manner. At the same time, we will pay close attention to opportunities arising in the market, conduct in-depth studies and make accurate judgments in the light of the Group's direction of transformation and development and future business layout, and strive to expand our market share.

Strengthen financial risk management and control. The Group has always attached great importance to risk management, and given the complex and ever-changing environment in both domestic and international markets, we will further strengthen the risk management and control. On the one hand, we will continue to promote the scale reduction of HK\$ debts, and on the other hand, we will continuously optimize our debt maturity structure by replacing certain medium and short-term debts with long-term debts to alleviate the short-term debt pressure of the Group. Meanwhile, we will strictly control the investment standards to ensure efficient allocation and stable return of funds. The Group will continuously adhere to a prudent financial strategy and strengthen compliant operations, for the purposes of laying a solid foundation for sustainable development, and creating long-term value for shareholders.



Chairman's Statement



III. THOUGHTS ON THE TRANSFORMATION OF SHENZHEN INVESTMENT

In July of this year, a decade after the last convening, the central government once again held the urban work conference and issued a key assessment: China's urbanization has shifted from a period of rapid growth to one of stable development, and urban expansion has moved from large-scale incremental expansion to a phase focused on improving the quality and efficiency of existing housing stock. Housing is the core spatial carrier of urbanization and urban development. With the main line of urban development shifting from incremental expansion to stock renewal, quality improvement and efficiency enhancement, the foundation for large-scale expansion of real estate in the future will no longer exist. In the past, the Group heavily relied on the property development business to contribute core revenue and gross profits. Amid the drastic shifts in the real estate market, our performance has declined markedly in recent years, and the imbalance and cyclical resilience in our business portfolio has exposed. In this situation, we must resolve to accelerate our business transformation, and build a business model that is in line with the new development stage.

We chart our transformation roadmap on the basis of our existing business foundation, resource strengths and sector expectations. Asset management and integrated operation of real estate are inherently counter-cyclical, producing long-term, stable cash flows. Currently, the Group has a certain scale of operational real estates and continuously improved operational services, enabling us to safeguard a sustainable growth of operating results in the future. Over the next five years, we will focus on optimizing and upgrading our business structure by **progressively reducing** the proportion of development activities, while expanding the scale of real estate management, enhancing its operational and service capabilities, and building a full-cycle asset management system of "investment, financing, development, management and investment exit", thereby transforming into a "real-estate asset manager and integrated operation service provider".





Strengthen the operation and management of real estates. Operations are ultimately about creating value through service; when we deliver offerings that customers love and are willing to pay for, revenue follows. We will provide professional and high-quality services to different types of customers such as merchants, enterprises, and residents based on consumption trends and industry demands, and continuously improve rental returns and asset management efficiency through refined operations. Besides, we will deepen brand export and model innovation, and fully leverage the advantages of our established operating brands to further drive the integration of all operational resources, with a commitment to building a competitive real estate operation and management platform in the industry.

Build a closed loop of real estate capital. The Group will carry out the management of real estate fund, expand diversified financing channels, optimize the asset allocation and investment effectiveness, and actively promote the capital recovery and exiting with premium of well-developed assets with stable cash flows through securitization channels such as REITs, thereby building a closed loop of "investment, financing, development, management and investment exit" for its capital, enhancing the efficiency of capital circulation, and ultimately improving asset operating income and shareholder returns.



Chairman's Statement



Build investment and service capabilities in the technology sector. Apart from the abovementioned transformation of real estate business, we will create a business matrix of "industrial space + technology services + investment and incubation" regarding the technology sector for our industrial spaces and relevant customers, continuously exploring new profit growth points. In terms of industrial space, we will focus more on technology sector and develop specialized technology-themed parks through coordinated planning, property adjustments, and high standard construction, with an aim to improve the revenue per available square meter. In terms of technology service, we will deeply involve in the industrial ecosystem where our customers operate, providing them with multi-level services including resource link, policy guidance, and comprehensive legal and tax support, we will also deeply integrate technological tools, improving operational efficiency, customer experience and decision-making through digital and intelligent technologies. In terms of investment and incubation, by aligning with the parent company's technology resources including extensive industrial parks. Guangming Science City and industrial investment funds, we will fully leverage our strength in the "promotion-investment linkage" model to enhance our incubation and investment capabilities for technology-industry and grow alongside the sci-tech enterprises in our parks.

The transformation is more than a realignment of business structure; it is a fundamental reconstruction of the Group's sustainability logic. To ensure the smooth execution of the transformation strategy, we will simultaneously optimize our organizational structure and enhance organizational effectiveness, aligning it precisely with our strategic development needs and providing robust support for the business transformation. Over the next five years, as our transformation strategy takes deeper hold, revenue from real-estate asset management and integrated operations will progressively become the Group's core earnings pillars, the full-cycle asset management system will be gradually formed, and our investment and service capabilities in technology sector will be gradually enhanced. Standing at this new historical starting point, we are firmly committed to our goals and are confident in our direction, and we will make every effort to promote the high-quality transformation and development of the Group, and deliver long-term and stable returns for our shareholders!

WANG Yuwen

Chairman

28 August 2025



I. Overall Results

In the first half of 2025, the Group realized turnover of HK\$10.35 billion, representing a year-on-year increase of 175%. Gross profit was HK\$1.77 billion, with overall gross profit margin of 17.1%, and operating profit was HK\$704 million. Due to unfavorable factors such as a decline in gross profit margin, losses from associates, substantial provisions for assets impairment and increased income tax expenses, loss attributable to owners of the Company was HK\$2.62 billion. If excluding the net effect of changes in fair value of investment properties and financial assets attributable to the Group, provision for impairment of inventories and the effect of results from and provision of associates and joint ventures, the loss attributable to owners of the Company was HK\$492 million.

II. Property Development Business

(I) Sales Revenue Booked

In the first half of 2025, the Group recorded property sales booked of approximately 292,485 square meters (excluding interests attributable to the major associates of the Group), representing a significant increase of approximately 439% over the same period of last year, and achieved sales revenue booked of approximately RMB6.88 billion (equivalent to approximately HK\$7.46 billion) (net of value-added tax), representing a significant increase of approximately 633% over the same period of last year. Gross profit margin of property development sales was 13.8%, representing a decrease of 18 percentage points over the same period of last year.



Breakdown of Sales Booked in the First Half of 2025

Property Name	City	Туре	Booked Area	Sales
			(sq.m.)	(RMB'000)
Shum Yip Park Mansion	Shenzhen	Residential	44,560	1,803,293
Shum Yip Natural City	Shenzhen	Residential	26,404	643,946
Shum Yip Cloud Center	Shenzhen	Residential	16,928	501,382
Taifu Square	Shenzhen	Apartment/office	9,181	225,737
Sky Park	Shenzhen	Apartment	3,580	218,467
UpperHills	Shenzhen	Residential/apartment/office/ innovative industrial building	110	7,763
Scenery Bay	Guangzhou	Residential	3,966	135,781
Parkview Garden	Zhongshan	Residential	39,487	1,018,577
Bay Front	Zhongshan	Residential/apartment/office	18,414	367,934
Bustling City	Foshan	Residential	3,950	47,463
Shum Yip City	Foshan	Residential/apartment	1,385	13,311
Gaobangshan	Huizhou	Residential/commercial	11,927	85,113
Garden Hills	Huizhou	Residential/commercial	4,035	29,076
Wanlin Lake	Huizhou	Residential/commercial	306	2,476
Nanwan Mansion	Nanjing	Residential	7,831	307,941
Upper Life	Nanjing	Residential/commercial	805	13,368
Heron Mansion	Changsha	Residential/ancillary office	259	3,204
Shum Yip Tairong Mansion	Chengdu	Residential	36,896	701,778
Shum Yip Dongyue Mansion	Chengdu	Residential/commercial	27,384	370,542
Shum Yip North Shore	Chengdu	Residential	6,689	41,175
Nanhu Rose Bay	Wuhan	Residential/villa/commercial	14,166	179,321
Shum Yip Huating	Wuhan	Residential	218	2,828
Yunqi Garden	Taizhou	Residential	12,313	107,266
Jiangyin Shum Yip Technology Industrial Park	Wuxi	Plant	1,061	5,965
Royal Spring Garden	Chaohu	Residential/villa	203	2,667
Ma'anshan Shum Yip Huafu	Ma'anshan	Residential/commercial	431	13,905
Parking space Note	-	Parking space	_	25,791
Total			292,489	6,876,070

Note: 349 parking spaces were sold



In the first half of 2025, the Group realized contracted sales amount of approximately RMB6.81 billion (equivalent to approximately HK\$7.39 billion), representing an increase of 10% year-on-year. Contracted sales area was approximately 300,000 square meters, representing an increase of 26% year-on-year, and the average price per square meter was RMB22,751. During the period, the Group expanded its marketing channels, seized market opportunities, and accelerated the sales of existing projects. Projects under its portfolio, including Luxury Mansion, Natural City and Shum Yip Cloud Center in Shenzhen, and Tairong Mansion in Chengdu, maintained strong sales performance.

By geographical location, projects in the Guangdong-Hong Kong-Macao Greater Bay Area accounted for 80% of the contracted sales amount, 18% came from projects in the municipalities and provincial capitals, and 2% came from other cities. By the types of products, residential products accounted for 88% of contracted sales, and non-residential products (including office, apartment and industrial park) accounted for 12%.

Breakdown of Contracted Sales in the First Half of 2025

Property Name	City	Туре	Sales Area	Sales Note 1
			(sq.m.)	(RMB'000)
Shum Yip Luxury Mansion	Shenzhen	Residential	25,271	1,698,417
Shum Yip Natural City	Shenzhen	Residential	37,260	1,011,802
Shum Yip Cloud Center	Shenzhen	Residential	17,048	546,890
Tairui Mansion	Shenzhen	Residential	11,969	546,120
Shum Yip Taifu Square	Shenzhen	Apartment	9,600	244,000
Sky Park	Shenzhen	Apartment	3,383	218,004
Shum Yip Time Mansion	Shenzhen	Apartment	1,973	82,127
UpperHills	Shenzhen	Industrial R&D, office	1,069	51,034
Parkview Bay	Shenzhen	Residential	191	20,300
Shum Yip Upper Coast	Shenzhen	Residential	116	10,316
Tanglang City Note 2	Shenzhen	Apartment	75	5,529
Shum Yip Scenery Bay	Guangzhou	Residential	4,094	114,374
Bustling City	Foshan	Residential	3,205	41,934
Shum Yip City	Foshan	Residential	1,034	9,426
Gaobangshan No. 1	Huizhou	Residential	18,798	141,788
Garden Hills	Huizhou	Residential	12,303	79,994
Wanlin Huafu	Huizhou	Residential	3,969	43,361
Wanlin Lake	Huizhou	Residential	1,678	9,676
Bay Front	Zhongshan	Residential, apartment	22,198	252,370
Parkview Garden	Zhongshan	Residential	38,994	333,950



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Property Name	City	Туре	Sales Area	Sales Note 1
			(sq.m.)	(RMB'000)
Upper Mansion	Shanghai	Residential	7,066	247,553
Nanwan Mansion	Nanjing	Residential	3,285	134,225
Shum Yip Upper Life	Nanjing	Residential	3,332	54,170
Shum Yip Luxiyunjing	Changsha	Residential	864	16,642
Shum Yip Heron Mansion	Changsha	Residential	43	690
Shum Yip Tairong Mansion	Chengdu	Residential	18,863	392,449
Shum Yip Dongyue Mansion	Chengdu	Residential	10,544	154,950
Shum Yip North Shore	Chengdu	Residential	7,363	49,209
Qingbaijiang Shum Yip	Chengdu	Residential		
Taifu Square			5,471	36,124
Shum Yip Hua City	Chengdu	Residential	112	1,580
Shum Yip Yihu Rose Garden	Chengdu	Commercial	34	114
Nanhu Rose Bay	Wuhan	Commercial, parking space	11,658	150,049
Jiangyin Shum Yip Technology	Wuxi	Industrial R&D		
Industrial Park			5,752	27,735
Shum Yip Yunqi Garden	Taizhou	Residential	7,215	65,287
Shum Yip Huafu	Ma'anshan	Commercial	2,123	14,552
Shenma Cihu High-tech	Ma'anshan	Industrial R&D		
Industrial Park			1,572	5,030
Others	-	-	-	2,667
Total			299,525	6,814,438

Note 1: As all the contracted sales took place in Mainland China, the contracted sales figures are expressed in Renminbi.

Note 2: Tanglang City project was co-developed with Shenzhen Metro Group, as to 50% owned by the Group, and it is accounted for using equity method.



In the first half of 2025, the Group's newly started construction area was approximately 370,000 square meters. The planned completed projects were delivered on schedule with a completed area of approximately 373,000 square meters.

New Construction Projects in the First Half of 2025

Project	City	Туре	New Construction Area (sq.m.'000)
Phase 1 of the First Urban Renewal Unit in Chegongmiao Tairan Industrial Zone	Shenzhen	Commercial services	207
Wuhan Shum Yip Cuiwei Valley Phase 1	Wuhan	Residential	163
Total			370

Newly Completed Projects in the First Half of 2025

Project	City	Туре	Completed Area (sq.m.'000)
Longgang Shum Yip Chuangzhi Building Entire Phase	Shenzhen	Industrial	51
Zhongshan G29 Phase 1	Zhongshan	Residential	75
Bay Front Project Phase 1 (Residential F26/3)	Zhongshan	Residential	49
Nanwan Mansion Phase 2 (Block 1, 4#)	Nanjing	Residential	29
Longquanyi Project North Land Plot Residential	Chengdu	Complex	98
Wuxi Jiangyin Research and Innovation Park Phase 2	Wuxi	Industrial	71
Total			373





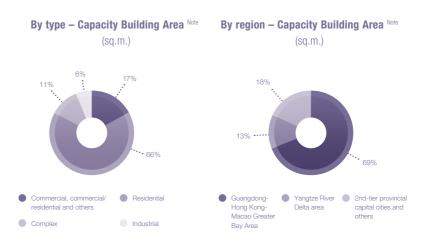


(IV) Land Expansion and Reserves

As of 30 June 2025, the Group had land reserves with a capacity building area of approximately 6,025,000 square meters. The structure of the land reserve remained reasonable and healthy, with land reserve in the Greater Bay Area, the Yangtze River Delta region and the second-tier provincial capital cities accounting for 69%, 13% and 18% of the total capacity buildings area respectively.

During the period, Phase II of the First Renewal Unit in Chegongmiao in Shenzhen achieved a breakthrough, with the demolition phase successfully wrapped up. In June 2025, the Group completed the signing of the land contract for the south land plot with a total land price of approximately RMB1.1 billion. Covering a total area of 28,000 square meters, Phase II of the First Renewal Unit in Chegongmiao has a total gross floor area of 488,000 square meters and a capacity building area of 360,000 square meters. It is planned to be built into a TOD urban complex integrating office, industry and commerce in the future, and will become a new business landmark in the Chegongmiao area.

Distribution of Land Reserves (As at 30 June 2025)



Note: Capacity building area is the sum of the gross floor area which is used in the calculation of the plot ratio within the land for construction.



III. Property Investment Business

In the first half of 2025, the Group recorded an income from property investment of approximately HK\$650 million, with a gross profit margin of property investment business of approximately 70.1%. As at 30 June 2025, the Group had investment properties of approximately 1,734,000 square meters, with a fair value of approximately HK\$33.50 billion. During the period, facing the severe challenges of market downturn and intensified competition, the Group insisted on refined operation and took various measures to enhance tenant sourcing for office buildings, industrial parks, commercial complex and professional markets, with the overall occupancy rate reaching 90%. The Group upgraded and renovated old properties, which helped boost both asset value and rental income, for example, old dormitories were upgraded into "Shum Yip Neighborhood" (深業鄰里) long-term rental apartments, and the long-vacant property on the second floor of Haisong Building (海松大廈) was renovated and upgraded into a diversified night economy consumption scenario, with the monthly rent increased by up to 180%. UpperHills office building has comprehensively improved its service quality, advanced both "lease renewal + customer development" in parallel and pioneered a zero-cost fine decoration delivery model. Against the market downturn, it has newly signed 7 corporate customers, including one Fortune Global 500 company and three industry leaders. At present, there are 13 Fortune Global 500 companies in UpperHills office building, maintaining its position as the second in Shenzhen.

IV. Urban Integrated Operation Business

(I) Overview of the Business Segment

In the first half of 2025, the Group recorded an income from property management business of approximately HK\$1,590 million, representing an increase of 8% over the same period of last year, with gross profit margin of approximately 15.0%. The Group's urban integrated operations business, comprising urban and industrial park property management, residential property management, commercial operation and property management services, had a total contracted GFA of approximately 105.85 million square meters and a total GFA under management of approximately 102.40 million square meters, of which approximately 81% was attributable to independent third-party projects and approximately 71% was attributable to non-residential properties, both indicators are higher than the industry average. With its industry-leading comprehensive strength and widely-recognized service. Shum Yip Operations of the Group was listed among the "Top 100 Property Service Enterprises China 2025 (No. 14)" (2025年全國物業服務百強企業第14位) by the China Index Academy, "Top China's Property Management Companies by Comprehensive Strength 2025 (No. 19)" (2025中國物業服務企業綜合實力第19名) and "Top China's State-Owned Property Management Companies by Comprehensive Strength 2025 (No. 7)" (2025中國國有物業 服務企業綜合實力第7名) by CRIC Property Management.





(II) Business Expansion

In the first half of 2025, Shum Yip Operations of the Group had net expanded area under management of approximately 3.11 million square meters, with a total contract value of RMB410 million, demonstrating robust market-oriented expansion capabilities. Shum Yip Operations continued to make breakthroughs in external expansion across sectors such as property management urban and public construction property. Notable achievements include securing the integrated environmental sanitation service projects for Dongmen Street and Sungang Street in Shenzhen, winning the property management urban project for Zhengpugang New District in Ma'anshan City and successfully obtaining the comprehensive maintenance project for Shenzhen Central Park and multiple indemnificatory housing property management projects in Longhua District, Shenzhen. Additionally, Shum Yip Operations expanded its portfolio with service management projects for Bank of Communications Fujian Branch and China Mobile in several regions.

(III) Commercial Operation

In the first half of 2025, the Group unveiled its "3+X" commercial product line strategy, significantly enhancing the commercial brand influence of Shum Yip. During the period, the commercial sector focused on upgrading its brand matrix, opening 77 new stores including 18 national and regional flagship stores. The Group accelerated the development of its "mall + park + cultural-sports-tourism" IP by hosting events such as the Guangdong-Hong Kong-Macao Greater Bay Area Garden Competition (粤港澳大灣區花園大賽) and the Spartan Race Challenge (斯巴達勇士挑戰賽), achieving remarkable international exposure. The flagship project UpperHills had over 20 million visitors in the first half of the year with sales revenue increasing by 29% year-on-year. Its outstanding performance earned multiple awards including "Top 50 Shopping Centers with Comprehensive Excellence 2025" (2025) 購物中心綜合實力卓越表現50強), "Gotrip Gold Award - Most Popular Mall in the Greater Bay Area 2025" (Gotrip2025年金牌大灣區最受歡迎商場大獎) and "Firstlaunch Economy Vibrant Shopping Center 2025" (2025年度首發經濟活力購物中 心). The commercial leasing of newly launched Huangmugang Metro Transport Hub project progressed smoothly, while the "Bay Front • UpperHills Water Street (灣中 • 上城水街)" held its brand signing ceremony and Magical World Dream Journey launch event, with the first batch of brands officially on board.



V. Hotel Operation Business

In the first half of 2025, the Group recorded an income from hotel operation business (included under other operating segment) of approximately HK\$210 million, representing an increase of 3% over the same period of last year. The gross profit margin of hotel operation business was approximately 22.9%, representing a significant year-on-year increase of 8.7 percentage points. The Group has a total of 17 hotels in operation, management, and under construction or planning, including 8 hotels that are open for operation. Among them, 6 are hotels held for operation by the Group, and 2 are hotels entrusted to the Group for management. The Group currently has a total of 9 hotels under construction or planning. During the period, benefiting from precise market positioning and flexible operational strategies tailored to each hotel, the hotel business of the Group demonstrated strong resilience. The Mandarin Oriental Shenzhen has risen to the top of the STR room revenue index among Shenzhen's luxury hotel competitive set by capitalizing on initiatives such as the "concert economy" (演唱會經濟). Additionally, its MO Bar made its debut on the "Asia's 50 Best Bars" (亞洲50最佳酒吧) list in 2025, ranking 21st. The Group's "Jingju Resorts" (憬居度假) saw its branded first store, Wuyishan Jingju Resort Hotel(武夷山憬居度假 酒店), officially commence operations in the second guarter, pioneering an innovative "hotel + wellness" (酒店+康養) model. It has garnered multiple prestigious awards, including the GBE Hotel Design Awards 2025 (2025 GBE酒店設計大獎) for "Most Anticipated New Opening Hotel" (最受期待開業酒店獎), as well as the 18th China Best Hotel Awards (第十八屆中國最 佳酒店大獎) for "Best Tourism Destination Hotel" (最佳旅遊目的地酒店) and "Best Family Resort Hotel"(最佳親子度假酒店).



Hotels in Operation of the Group

Hotel Name	Guest Room	Operation Mode
Mandarin Oriental Shenzhen	178 guest rooms	Held for operation
Muji Hotel	79 guest rooms	Held for operation
Jingju Hotel in Shenzhen Women and Children Tower	194 guest rooms	Held for operation
Holiday Inn Resort Chaohu Hot Spring	203 guest rooms	Held for operation
Chaohu Royal Spring Garden Hot Spring Hotel	20 villas and 7 onsen suites	Held for operation
Suzhou Marriott Hotel	300 guest rooms	Held for operation
Wuyishan Jingju Resort Hotel (武夷山憬居度假酒店)	150 guest rooms	Entrusted for management
Kashi Shum Yip Radisson Hotel (喀什深業麗笙酒店)	261 guest rooms	Entrusted for management

Hotels Under Construction or Planning of the Group

Hotel Name	Guest Room	Project Phase
Marriott Luxury Collection Hotel (萬豪豪華精選酒店)	173 guest rooms	Under construction
Marriott AC Hotel (萬豪AC酒店)	207 guest rooms	Under construction
Zhongshan InterContinental Hotel (中山洲際酒店)	135 guest rooms	Under construction
Zhongshan EVEN Hotel (中山逸衡酒店)	225 guest rooms	Under construction
Oakwood Premier Shenzhen (深圳奧克伍德豪景 服務式公寓)	342 guest rooms	Under construction
Somerset Chengdu (成都盛捷服務式公寓)	152 guest rooms	Under construction
Citadines Chengdu (成都馨樂庭服務式公寓)	228 guest rooms	Under construction
Jingju Collection Shenyang (瀋陽憬居精選酒店)	149 guest rooms	Under planning
Century Valley Service Apartment (世紀山谷服務式公寓 酒店)	200 guest rooms	Under planning





VI. Advanced Manufacturing Business

In the first half of 2025, revenue from manufacturing business of the Group amounted to HK\$230 million, representing an increase of 27% year-on-year, and gross profit margin was approximately 26.2%, representing a year-on-year increase of 1.9 percentage points. The manufacturing business of the Group is mainly from its subsidiary Shenzhen Jinghua Displays Electronics Co., Ltd. ("Jinghua Company"), which is engaged in the research and development, production and sales of products such as IoT intelligent display controllers and LCD devices. With the qualification of national high-tech enterprise and Shenzhen specialized and sophisticated SMEs, it is a high-quality service provider in the field of human-machine interface display and interactive control. During the period, Jinghua Company demonstrated robust operational performance with notable achievements in market expansion, achieving an increase of 25% over the same period of last year in shipments. Cost control measures were further optimized, reducing inventory levels by 17% compared to the same period of last year. Jinghua Company sustained its technological innovation momentum, filing two invention patent applications and securing one granted invention patent in the first half of the year.

VII. Modern Agriculture Business

In the first half of 2025, revenue from agriculture operation of the Group (included under other operating segment) was approximately HK\$140 million, representing a significant increase of 108% as compared to the same period of last year, and gross profit margin was approximately 3.1%, representing a period-on-period increase of 5.2 percentage points. During the period, the Group continued to optimize its agricultural business model, focusing on innovative approaches such as cooperative farming and contract farming, while steadily advancing its supply chain operations. It achieved a milestone with its first export of frozen pork to Hong Kong, marking a "zero breakthrough" (零突破) in agricultural product exports. The agri-tourism project maintained stable operations, with the formation of a strategic project matrix comprising "3 Seasons Countryside + 2 Four Seasons Flower Wonderland" (3 個四季田園+2 個四季花谷), Among these, Dapeng·Seasons Coastal Countryside (大鵬·四季濱海田園) in Shenzhen emphasized educational tourism, while the Nan'ao · Seasons Countryside Homestay (南澳·四季田園民 宿) gained market recognition and was selected as one of the 20+ Exemplary Cases of "Shenzhen Social Forces Boosting Rural Revitalization"(深圳社會力量助力鄉村振興)in 2024. During its trial operation over the Labor Day holiday, the homestay achieved "full occupancy upon opening" (開業即滿房).



VIII. Financial Management

(I) Capital and Financing

The Group successfully arranged the replacement of a syndicated loan of HK\$4 billion to secure funding. As at 30 June 2025, the Group's total bank and other borrowings amounted to HK\$37.19 billion (31 December 2024: HK\$37.37 billion). Floating rate loans and fixed-rate loans accounted for 68% and 32%, respectively; long-term loans and short-term loans accounted for 73% and 27%, respectively; borrowings denominated in Hong Kong dollars and Renminbi borrowings accounted for 38% and 62%, respectively.

The Group optimized its capital and debt structure through various means, reducing its HK\$ debts by HK\$700 million. As at 30 June 2025, the Group had net assets, excluding non-controlling interests, of HK\$36.76 billion (31 December 2024: HK\$38.55 billion). The cash balance was HK\$10.35 billion (including restricted cash) (31 December 2024: HK\$11.80 billion). The asset-liability ratio, excluding advance receipts, was 68.1%, and the net gearing ratio (net debt excluding interest-bearing loans from related parties divided by equity attributable to owners of the Company) was 73.0%.

With the floating interest rate of Hong Kong dollar declined, the average comprehensive interest rate of the Group's bank and other borrowings decreased by 0.4 percentage points to an annual rate of 3.6% as compared to that of last year.

Key Financial Indicators

	As at	As at
	30 June	31 December
	2025	2024
	HK\$100	HK\$100
	million	million
Bank and other borrowings	371.9	373.7
Long-term borrowings	271.6	228.1
Short-term borrowings	100.3	145.6
Cash (including restricted cash)	103.5	118.0
Net gearing ratio	73.0%	66.3%



(II) Effect of Exchange Rate Fluctuation

The Group's assets are mainly denominated in Renminbi, while Hong Kong dollar is adopted as the reporting currency in the Group's financial statements. The effect of the decrease in RMB exchange rate on the Group's finance was mainly reflected in the appreciation of the asset and earnings denominated in Renminbi against Hong Kong dollar, the reporting currency. During the period, such fluctuations in the asset and earnings denominated in Renminbi against Hong Kong dollar, the reporting currency, of HK\$940 million were included in other comprehensive income.

(III) Cost Control

The Group's focus on leaning to reduce costs and increase efficiency has resulted in a decrease of 18% in administrative expenses over the same period of last year, resulting in cost savings of approximately HK\$110 million.

IX. Others

(I) Other Expenses

In the first half of 2025, the Group's other expenses amounted to approximately HK\$340 million (first half of 2024: HK\$160 million), representing a period-on-period increase of 113%. It was mainly because that the Group made an impairment provision of approximately HK\$190 million on the inventories held due to the downturn in selling prices in the real estate market.

(II) Performance of Major Joint Ventures and Associates

In the first half of 2025, the overall results of the Group's major joint ventures and associates underperformed due to the impact of the real estate industry recession.

Taizhou Shum Yip Investment Development Limited (a 51% owned company of the Group) contributed loss of approximately HK\$5.22 million to the Group. Shenzhen Tianan Cyber Park (Group) Co., Ltd. (a 37.5% owned company of the Group) contributed loss of approximately HK\$16.74 million to the Group. Shum King Company Limited (a 50% owned company of the Group) contributed loss of approximately HK\$86 million to the Group. Road King Infrastructure Limited (1098.HK) (a 27% owned company of the Group) contributed loss (including impairment losses) of approximately HK\$1,806 million to the Group.

The remaining carrying amount of the Group's interest in Road King Infrastructure amounted to approximately HK\$170 million has fairly reflected its market value. Subsequently, the results of Road King Infrastructure will not have a significant negative impact on the Group's performance.





(III) Pledge of Assets and Provision for Contingent Liabilities

As at 30 June 2025, the Group had total loans of HK\$8.19 billion (31 December 2024: HK\$8.34 billion) that were pledged with assets.

As at 30 June 2025, the Group has given guarantees amounted to HK\$0.87 billion in aggregate in respect of bank and other borrowings.

(IV) Progress of the Litigation Involving Shum Yip Terra Company

On 29 November 2024, Chengdu Fengze Investment Co., Ltd (成都豐澤投資有限公 司)("Chengdu Fengze") and Shum Yip Terra (Holdings) Company Limited (深業泰然(集 團)股份有限公司)("Shum Yip Terra Company", together with Chengdu Fengze, the "Subsidiaries"), both being non-wholly-owned subsidiaries of the Company, received a statement of claim (民事起訴狀) from the Intermediate People's Court of Chengdu City (成都市中級人民法院) regarding the claims by Sichuan Haofu Industrial Co., Ltd. (四 川浩福實業有限公司) (the "Claimant") against the Subsidiaries and four individuals (all of the individuals are not directors or senior management of the Company) regarding the disputes in earnings distribution over the investment of "198" Congshu Area ("198"叢樹片 區) in Chenghua district, Chengdu, the People's Republic of China (the "Litigation"), with an amount of the claim of approximately RMB220 million. The Subsidiaries have engaged legal advisers to handle the Litigation, and will rigorously defend the Litigation to protect its legitimate interest. The first trial of the case commenced on 24 December 2024 and is now in progress. As the Litigation is still at an early stage, it is difficult to predict the final outcome of the Litigation with certainty and the Company is still assessing the financial impact of the Litigation on the Group.



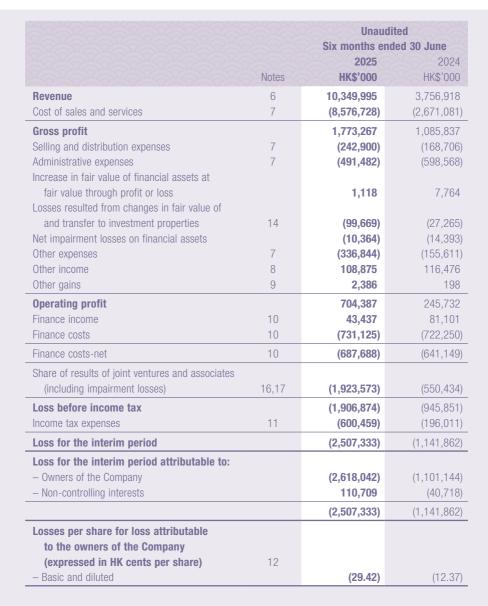


As at 30 June 2025, the Group employed 20,261 employees (30 June 2024: 20,417 employees) of whom 16 were stationed in Hong Kong (mainly managerial and finance related personnel), and the rest were in Mainland China. The total remuneration for the six months ended 30 June 2025 (excluding remuneration of the directors and senior management) amounted to approximately RMB1.228 billion (six months ended 30 June 2024: RMB1.255 billion).

The benefits and bonuses of the Group's employees are determined based on their individual performance, the Group's profit condition, benefit level of the industry and the current market condition. The remuneration packages are reviewed on an annual basis to ensure internal equity and its competitiveness in the market. In driving performance, we also grant share options, under the share option scheme of the Company, to employees based on individual performance and the results of the Group.







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





Interim Condensed Consolidated Statement of Comprehensive Income

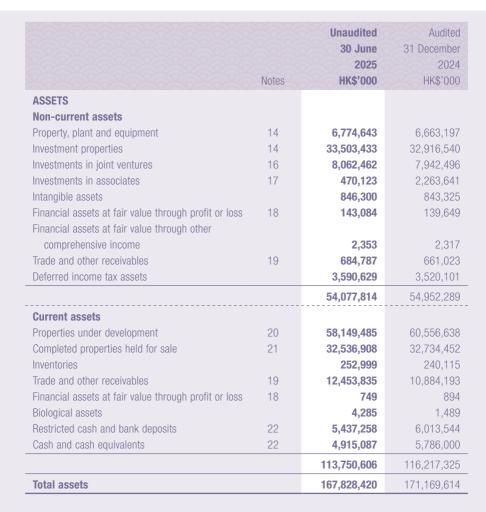
For the six months ended 30 June 2025

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Loss for the interim period	(2,507,333)	(1,141,862)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
- Share of changes of other comprehensive income		
of an associate	1,238	(117,511)
- Exchange differences on translation of foreign operations	936,496	(447,105)
Other comprehensive income for the interim period,		
net of tax	937,734	(564,616)
Total comprehensive income for the interim period	(1,569,599)	(1,706,478)
Total comprehensive income attributable to:		
- Owners of the Company	(1,786,071)	(1,622,390)
- Non-controlling interests	216,472	(84,088)
	(1,569,599)	(1,706,478)

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



As at 30 June 2025







As at 30 June 2025

	Notes	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
EQUITY			
Equity attributable to the owners of the			
Company Share capital	23	22,071,756	22.071.756
Capital reserve	23	59,019	59.019
Other reserves	23	1,859,968	1,027,997
Retained earnings	20	12,773,149	15,391,191
		36,763,892	38,549,963
Non-controlling interests		6,980,282	6,769,996
Total equity		43,744,174	45,319,959
LIABILITIES			
Non-current liabilities			
Bank and other borrowings	24	27,159,952	22,804,481
Lease liabilities Deferred income	15	243,449	252,259
Due to the immediate holding company	29	18,641	19,759 697,382
Deferred income tax liabilities	29	7,234,648	7,159,234
Deterred income tax napinaes		34,656,690	30,933,115
Current liabilities			
Bank and other borrowings	24	10,028,586	14,560,568
Contract liabilities	21	30,419,695	28,229,357
Trade and other payables	25	17,308,075	18,819,666
Lease liabilities	15	85,863	93,909
Due to the immediate holding company	29	4,505,753	3,638,644
Due to the ultimate holding company	29	18,378,428	18,652,676
Tax payable		8,701,156	10,921,720
		89,427,556	94,916,540
Total liabilities		124,084,246	125,849,655
Total equity and liabilities		167,828,420	171,169,614

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

The interim condensed consolidated financial information on pages 27 to 78 was approved by the Board of directors on 28 August 2025 and was signed on its behalf.

Mr. WANG Yuwen

Ms. SHI Xiaomei

Director

Director



Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	X0X		505	Unaudited	50/50	X2X	
	Attributable to the owners of the Company				Non-		
	Share	Capital	Other	Retained		controlling	Total
	capital	reserve	reserves	earnings	Total	interests	equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2025	22,071,756	59,019	1,027,997	15,391,191	38,549,963	6,769,996	45,319,959
Comprehensive income for the six							
months ended 30 June 2025							
Loss for the interim period	-	-	-	(2,618,042)	(2,618,042)	110,709	(2,507,333)
Other comprehensive income:							
Exchange differences on translation							
of foreign operations	-	-	830,733	-	830,733	105,763	936,496
Share of other comprehensive							
income of an associate	-	_	1,238	-	1,238	-	1,238
Total comprehensive income							
for the interim period	-	-	831,971	(2,618,042)	(1,786,071)	216,472	(1,569,599)
Transactions with owners in							
their capacity as owners							
Dividends provided for or paid	-	_	-	-	-	(6,186)	(6,186)
Total transactions with owners	-	-	-	-	-	(6,186)	(6,186)
Balance at 30 June 2025	22,071,756	59,019	1,859,968	12,773,149	36,763,892	6,980,282	43,744,174



	XOX		505	Unaudited		XOX	
	Attributable to the owners of the Company				Non-		
	Share capital HK\$'000	Capital reserve HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000	controlling interests HK\$'000	Total equity HK\$'000
Balance at 1 January 2024	22,071,756	59,019	2,370,145	17,836,686	42,337,606	5,142,605	47,480,211
Comprehensive income for the six months ended 30 June 2024 Loss for the interim period	_	_	_	(1,101,144)	(1,101,144)	(40,718)	(1,141,862)
Other comprehensive income: Exchange differences on translation							
of foreign operations Share of other comprehensive	-	-	(403,735)	-	(403,735)	(43,370)	(447,105)
income of an associate	_	-	(117,511)	-	(117,511)	-	(117,511)
Total comprehensive income for the interim period	-	-	(521,246)	(1,101,144)	(1,622,390)	(84,088)	(1,706,478)
Transactions with owners in their capacity as owners Capital injections from							
non-controlling interests	_	_	_	_	_	6,605	6,605
Dividends provided for or paid Equity-settled share option expense	-	-	- 27	(622,916) —	(622,916) 27	(33,375)	(656,291) 27
Total transactions with owners	-	-	27	(622,916)	(622,889)	(26,770)	(649,659)
Balance at 30 June 2024	22,071,756	59,019	1,848,926	16,112,626	40,092,327	5,031,747	45,124,074

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







	Unaudited Six months ended 30 June		
	2025 HK\$'000	2024 HK\$'000	
Cash flows from operating activities			
Cash generated from operations	5,966,781	350,442	
Interest paid	(1,188,554)	(1,025,729)	
Interest received	43,437	81,101	
Income tax paid	(3,182,979)	(1,021,386)	
Net cash flows generated from/(used in)			
operating activities	1,638,685	(1,615,572)	
Cash flows from investing activities			
Payments of loans to joint ventures	(65,130)	(280,704)	
Repayments of loans to joint ventures	5,037	13,210	
Capital injection to joint ventures and associates	(94,671)	_	
Purchases of property, plant and equipment	(165,617)	(108,187)	
Purchases of investment properties under development	(10,643)	(81,378)	
Proceeds from disposals of property, plant and equipment	_	50	
Interest received from loans to related parties	84	10,520	
Dividends received from financial assets fair value			
through profit or loss	_	70	
Net cash flows used in investing activities	(330,940)	(446,419)	



	Unaudited		
	Six months ended 30 June		
	2025		
	HK\$'000	HK\$'000	
Cash flows from financing activities			
Proceeds from bank and other borrowings	9,443,416	6,940,448	
Repayments of bank and other borrowings	(9,967,936)	(7,419,466)	
Proceeds from loans from ultimate holding company	3,929,510	2,330,394	
Repayments of loans from ultimate holding company	(4,620,713)	(2,592,384)	
Proceeds from loans from immediate holding company	_	100,000	
Repayments of loans from immediate holding company	_	(100,000)	
Repayments of loans from fellow subsidiaries	(57,532)	(15,301)	
Capital element of lease payments	(38,621)	(52,682)	
Capital injection from non-controlling interests	_	6,605	
Dividends paid to non-controlling interests	(6,186)	(33,375)	
Repayments of loans from non-controlling interests	(945,366)	(444,696)	
Net cash flows used in financing activities	(2,263,428)	(1,280,457)	
Net decrease in cash and cash equivalents	(955,683)	(3,342,448)	
Cash and cash equivalents at beginning			
of the interim period	5,786,000	11,053,858	
Exchange difference on cash and cash equivalents	84,770	(78,200)	
Cash and cash equivalents at end of the interim period	4,915,087	7,633,210	

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



Notes to the Interim Condensed Consolidated Financial Information



1 General information

Shenzhen Investment Limited (the "Company") is a limited liability company incorporated in Hong Kong. The address of the Company's registered office is located at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Kowloon, Hong Kong. The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in property development, property investment, property management and manufacture operation.

In the opinion of the directors, the immediate holding company of the Company is Shum Yip Holdings Company Limited ("SYH", 深業 (集團) 有限公司), which is a private company incorporated in Hong Kong. The ultimate holding company of the Company is 深業集團有限公司 ("Shum Yip Group"), which is a state-owned company established in Shenzhen, the People's Republic of China (the "PRC").

The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial information comprises the condensed consolidated statement of financial position as at 30 June 2025, the condensed consolidated statement of profit or loss, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes (the "Interim Financial Information").

The Interim Financial Information is presented in Hong Kong dollar ("HK\$") and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

This Interim Financial Information was approved for issue by the Board of directors of the Company on 28 August 2025 and has not been audited.





2 Basis of preparation

2.1 The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

The financial information relating to the year ended 31 December 2024 that is included in the interim condensed consolidated statement of financial position as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company's auditor has reported on the financial statements for the year ended 31 December 2024. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

(a) New and amended standards adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information:

Amendments to HKAS 21

Lack of Exchangeability

recontinue for the

Notes to the Interim Condensed Consolidated Financial Information



2 Basis of preparation (Continued)

2.1 (Continued)

(a) New and amended standards adopted by the Group (Continued)

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

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

The Group has not applied the following new and amended HKFRS Accounting Standards, that are expected to be relevant to the Group and have been issued but are not yet effective, in these interim financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

		effective for the annual periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
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
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	1 January 2026
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined





2 Basis of preparation (Continued)

2.1 (Continued)

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

The Group has already commenced an assessment of the impact of these new or amended standards and interpretations, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the Group, no material impact on the financial performance and position of the Group in the current or future reporting period and on foreseeable future transactions is expected when they become effective except HKFRS 18.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about managementdefined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

Notes to the Interim Condensed Consolidated Financial Information



2 Basis of preparation (Continued)

2.2 Going concern basis

Due to the volatility of the property market in the PRC and the unfavourable impact on the presale performance during the period and subsequent to the period end date, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern for at least of 12 months from 30 June 2025.

The directors of the Company are of the opinion that, taking into account the anticipated cash flows generated from the Group's operations as well as the possible changes in its operating performance, the Group's plan of land acquisitions; and the continued availability of the Group's bank and other borrowings as well as the Group's ability to raise new financing under the prevailing rules and regulations, and the financial support from the ultimate holding company, the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the coming twelve months from 30 June 2025.

Accordingly, these interim condensed consolidated financial information have been prepared on a going concern.

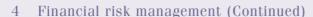
3 Accounting estimates

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.

4 Financial risk management

The Group's major operations are mainly located in the PRC and is subject to special considerations and significant risks. These include risks associated with, among others, the political, economic and legal environment, influence of national authorities over pricing regulation and competition in the market.





The Group's activities expose it to a variety of financial risks: market risk (mainly including currency risk, interest rate risk and price risk), credit risk and liquidity risk. 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 2024 financial statements.

There have been no significant changes in the risk management department, policies and procedures during the interim period.

4.1 Financial risk factors

(a) Liquidity risk

The table below analyses the Group's financial liabilities into relevant maturity grouping based on the remaining period at the date of statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows and include interest.

		As	at 30 June 202	5	YOX
		Between	Between		
	Less than	1 and	2 and	Over	
	1 year	2 years	3 years	3 years	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Interest-bearing bank and					
other borrowings	10,487,468	9,474,868	9,511,136	9,712,462	39,185,934
Lease liabilities	93,591	109,362	61,711	103,670	368,334
Trade and other payables	16,520,919	-	-	-	16,520,919
Due to the immediate					
holding company	4,664,014	-	-	-	4,664,014
Due to the ultimate					
holding company	19,313,269	-	-	-	19,313,269
	51,079,261	9,584,230	9,572,847	9,816,132	80,052,470







4.1 Financial risk factors (Continued)

(a) Liquidity risk (Continued)

		As a	t 31 December 20	024	
		Between	Between		
	Less than	1 and	2 and	Over	
	1 year	2 years	3 years	3 years	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Interest-bearing bank and					
other borrowings	15,159,781	9,282,551	1,994,159	12,985,430	39,421,921
Lease liabilities	102,157	104,974	89,216	136,308	432,655
Trade and other payables	17,960,646	-	-	-	17,960,646
Due to the immediate					
holding company	3,753,144	731,522	-	-	4,484,666
Due to the ultimate					
holding company	19,620,692	-	_	-	19,620,692
	56,596,420	10,119,047	2,083,375	13,121,738	81,920,580

The Group had adequate financial resources to repay these debts when they become due and payable.





4.2 Fair value estimation

(a) Fair value hierarchy

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2025.

The table below analyses financial instruments carried or presented at fair value, by level of the inputs to valuation techniques used to measure fair value. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities.
 The quoted prices already incorporate the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to Environmental, Social and Governance ("ESG") risks (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs). This is the case for unlisted equity securities and for instruments where ESG risk gives rise to a significant unobservable adjustment (level 3).





4.2 Fair value estimation (Continued)

(a) Fair value hierarchy (Continued)

	At 30 June 2025					
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000		
Financial assets at fair value through profit or loss ("FVTPL") – Listed equity investments in						
Hong Kong – Listed equity investments in	749	-	-	749		
Mainland China* – Unlisted equity investments in	44,390	-	-	44,390		
Mainland China	-	-	98,694	98,694		
Financial assets at fair value through other comprehensive income ("FVOCI")						
– Unlisted equity investments in Mainland China	_	_	2,353	2,353		
mamana omila	45,139	-	101,047	146,186		

^{*} Mainland China: the People's Republic of China, for the purpose of this interim report, excluding Hong Kong, Macau and Taiwan.



4.2 Fair value estimation (Continued)

(a) Fair value hierarchy (Continued)

	At 31 December 2024					
	Level 1 Level 2 Level 3					
	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
Financial assets at FVTPL						
- Listed equity investments in						
Hong Kong	894	-	-	894		
- Listed equity investments in						
Mainland China	42,458	-	-	42,458		
– Unlisted equity investments in						
Mainland China	-	-	97,191	97,191		
Financial assets at FVOCI						
– Unlisted equity investments in						
Mainland China	-	-	2,317	2,317		
	43,352	_	99,508	142,860		

(b) Fair value measurements using significant unobservable inputs

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

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
At 1 January	99,508	101,683
Exchange differences	1,539	(2,175)
At 30 June	101,047	99,508

There were no transfers between the levels of the fair value hierarchy during the interim period. There were also no changes made to any of the valuation techniques applied as of 30 June 2025.







4.3 Group's valuation processes

The Group's finance department performs the valuations of financial assets required for financial reporting purpose, including Level 3 fair values. The financial department reports directly to the executive directors. Discussions of valuation results are held between the executive directors and the financial department at least once in every reporting period, in line with the Group's interim and annual reporting dates.

5 Segment information

The executive directors (chief operating decision-maker) assess the performance of the operating segments based on a measurement of operating profit. Information of segment assets and liabilities for the interim are not included in the reports reviewed by the executive directors. Other information provided to the executive directors is measured in a manner consistent with that in the 2024 financial statements.

Revenues between segments are carried out on terms agreed upon by the respective parties. The revenue from external parties reported to the executive directors is measured in a manner consistent with that in the condensed consolidated statement of profit or loss.



Notes to the Interim Condensed Consolidated Financial Information

5 Segment information (Continued)

The segment information provided to executive directors for the reportable segments for the six months ended 30 June 2025 and 2024 are as follows:

		Z X	Six months end	ed 30 June 2025		
	Property	Property	Property			
	development	investment	management	Manufacturing	Others	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from contracts with customers						
Recognised at a point of time	7,463,987	-	9,443	231,863	167,517	7,872,810
Recognised over time	-	-	1,667,508	-	262,415	1,929,923
Revenue from other sources						
Rental income	-	656,308	-	-	-	656,308
Total segment revenue	7,463,987	656,308	1,676,951	231,863	429,932	10,459,041
Inter-segment revenue	-	(9,042)	(83,174)	-	(16,830)	(109,046)
Revenue from external customers	7,463,987	647,266	1,593,777	231,863	413,102	10,349,995
Segment results before decrease in fair						
value of investment properties	459,737	389,436	151,805	7,966	(268,600)	740,344
Losses resulted from changes in fair value						
of and transfer to investment properties	-	(99,669)	-	-	-	(99,669)
Segment results after decrease in						
fair value of investment properties	459,737	289,767	151,805	7,966	(268,600)	640,675
Share of results of joint ventures and						
associates (including impairment losses)						(1,923,573)
Other income						108,875
Other gains						2,386
Fair value gain of financial assets						
measured at fair value through						
profit or loss, net						1,118
Corporate and other unallocated expenses						(48,667)
Finance costs, net					_	(687,688)
Loss before income tax					_	(1,906,874)





5 Segment information (Continued)

			Six months ende	d 30 June 2024		
	Property	Property	Property			
	development	investment	management	Manufacturing	Others	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from contracts with customers						
Recognised at a point of time	1,017,626	-	5,948	182,277	116,514	1,322,365
Recognised over time	-	-	1,547,350	-	311,151	1,858,501
Revenue from other sources						
Rental income	-	687,852	-	-	-	687,852
Total segment revenue	1,017,626	687,852	1,553,298	182,277	427,665	3,868,718
Inter-segment revenue	-	(11,790)	(81,170)	-	(18,840)	(111,800
Revenue from external customers	1,017,626	676,062	1,472,128	182,277	408,825	3,756,918
Segment results before decrease in fair						
value of investment properties	25,217	263,581	134,317	6,396	(216,733)	212,778
Losses resulted from changes in fair value						
of and transfer to investment properties	-	(27,265)	_	_	_	(27,265
Segment results after decrease in						
fair value of investment properties	25,217	236,316	134,317	6,396	(216,733)	185,513
Share of results of joint ventures and						
associates						(550,434
Other income						116,476
Other gains						198
Fair value gain of financial assets						
measured at fair value through						
profit or loss, net						7,764
Corporate and other unallocated expenses						(64,219
Finance costs, net					_	(641,149
Loss before income tax						(945,851





5 Segment information (Continued)

As the Group generates substantially all of its revenues from customers domiciled in the Mainland China and majority of its non-current assets are located in Mainland China, no geographical information is presented.

6 Revenue

Revenue, represents sale of completed properties, commercial and industrial goods, rental income, property management service income and others.

Revenue from contracts with customers by major products and service lines is as follows:

	Six months ended 30 June		
	2025 20		
	HK\$'000	HK\$'000	
Revenue from contracts with customers			
Sales of properties	7,463,987	1,017,626	
Property management service income	1,593,777	1,472,128	
Sales of industrial goods	231,863	182,277	
Others	413,102	408,825	
	9,702,729	3,080,856	
Revenue from other sources			
Rental income	647,266	676,062	
	10,349,995	3,756,918	

No single customer contributed 10% or more of the Group's total revenue during the six months ended 30 June 2025 and 2024.





7 Expenses by nature

	Six months ended 30 June		
	2025		
	HK\$'000	HK\$'000	
Cost of properties and inventories sold	6,602,696	641,072	
Cost of services provided	1,974,032	1,841,918	
Employee benefit expenses	393,049	441,525	
Write-down of properties under development and			
completed properties held for sale	186,422	188,091	
Advertising and promotion costs	110,678	51,787	
Depreciation of property, plant and equipment	37,925	61,903	
Other taxes and levies	85,946	86,906	
Others	257,206	280,764	
Total cost of sales and services, selling and			
distribution expenses, administrative expenses			
and other expenses	9,647,954	3,593,966	

8 Other income

	Six months ended 30 June		
	2025	2024	
	HK\$'000	HK\$'000	
Government grant	4,621	21,238	
Interest income from joint ventures and			
a non-controlling interest	87,252	82,140	
Compensation income	3,402	5,846	
Dividend income from financial asset at FVTPL	_	70	
Others	13,600	7,182	
	108,875	116,476	



Notes to the Interim Condensed Consolidated Financial Information

9 Other gains

	Six months ended 30 June		
	2025	2024	
	HK\$'000	HK\$'000	
Net gain on disposal of property, plant and equipment	2,386	198	

10 Finance costs – net

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Finance income:		
 Interest income from bank deposits 	(43,437)	(81,101)
Finance costs:		
 Interest expenses of bank loans 	617,662	745,010
 Interest expenses of other borrowings 	111,359	142,757
 Lease liabilities 	6,421	10,988
 Loans from the ultimate holding company 	251,704	377,150
 Loans from the immediate holding company 	82,958	96,972
 Loans from fellow subsidiaries 	24,184	32,399
 Loans from a joint venture 	1,216	3,339
 Loans from a related company 	2,809	2,886
Loans from non-controlling interests	37,880	79,971
	1,136,193	1,491,472
Less: amounts capitalised on qualifying assets	(405,068)	(769,222)
	731,125	722,250
Finance costs – net	687,688	641,149

Finance costs have been capitalised on qualifying assets at average rate of 3.56% for the six months ended 30 June 2025 (six months ended 30 June 2024: 3.66%).





11 Income tax expenses

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
 Mainland China CIT 	314,418	110,938
– LAT in Mainland China	337,430	129,434
	651,848	240,372
Deferred income tax		
– Mainland China CIT	(102,448)	(40,895)
 Withholding tax on dividend 	2,799	(711)
– LAT in Mainland China	48,260	(2,755)
	(51,389)	(44,361)
Total	600,459	196,011

The provision for Hong Kong Profits Tax for the six months ended 30 June 2025 is calculated at 16.5% (six months ended 30 June 2024: 16.5%) of the estimated assessable profits for the interim period. No provision for Hong Kong Profits Tax was made as the Group has no assessable profits arising in or derived from Hong Kong for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

No provision for taxation has been recognised for companies incorporated in the British Virgin Islands ("BVI"), as they are not subject to any tax for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

Under the relevant income tax law, the Mainland China subsidiaries are subject to corporate income tax ("CIT") at a statutory rate of 25% on their respective taxable income during the interim period.

Land appreciation tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including amortisation of land use rights, borrowing costs and all property development expenditures.





11 Income tax expenses (Continued)

Dividend withholding income tax

Pursuant to the Detailed Implementation Regulations for Implementation of the Corporate Income Tax Law, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to a withholding income tax of 10%. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are qualified as tax residents of Hong Kong according to the tax treat arrangements between the PRC and Hong Kong.

During the six months ended 30 June 2025 and 2024, deferred income tax liabilities had been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries in the PRC, as these earnings are expected to be distributed by the PRC subsidiaries and would be remitted to their overseas holding companies in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately HK\$1,885 million at 30 June 2025 (31 December 2024: HK\$1,799 million).

12 Losses per share

Basic losses per share are calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the interim period.

	Six months ended 30 June 2025 2024	
Loss attributable to the owners of the Company (HK\$'000) Weighted average number of ordinary	(2,618,042)	(1,101,144)
shares in issue	8,898,793,115	8,898,793,115

For the six months ended 30 June 2025 and 2024, the effect of conversion of share option scheme (note 26) were anti-dilutive and the diluted losses per share for the interim period is therefore equal to the basic losses per share.





13 Dividends

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Dividends recognised as distribution during the period:		
Final dividend declared for 2024 - nil		
(six months ended 30 June 2024:		
declared for 2023 – HK7 cents per share) (a)		
Cash	_	622,916
Dividend declared in respect of current period:		
Interim dividend for 2025 – nil		
(interim dividend for 2024: nil) (b)	_	_

- (a) The Company declared a final dividend of HK7 cents per share in respect of year ended 31 December 2023 amounted to approximately HK\$622,916,000. The final dividend has been paid in cash on 4 July 2024.
- (b) On 28 August 2025, the Board of directors has resolved not to declare the payment of any interim dividends for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).



14 Property, plant and equipment and investment properties

	Property, plant and equipment HK\$'000	Investment properties HK\$'000
Six months ended 30 June 2025		
At 1 January 2025	6,663,197	32,916,540
Addition	171,443	_
Addition of investment properties under development	_	15,312
Transfer from completed properties held for sale	_	201,700
Transfer from investment properties	22,955	_
Derecognition of right-of-use assets	(9,569)	_
Fair value changes	_	(99,669)
Transfer to property, plant and equipment	_	(22,955)
Other decreases	(6,908)	_
Depreciation	(176,842)	_
Exchange differences	110,367	492,505
At 30 June 2025	6,774,643	33,503,433

The Group's investment properties are located in Mainland China and are held under medium lease terms. The Group's investment properties were revalued at 30 June 2025 based on valuation performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL"), an independent, professionally qualified valuation firm.







14 Property, plant and equipment and investment properties (Continued)

The Group's investment properties are all at Level 3 valuation. The Group's property managers and the general manager of financial management department have discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each reporting date.

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

	Valuation technique	Significant unobservable inputs	Range
Investment properties – commercial properties and others	Income capitalisation method	Vacancy rate	3% - 25% (31 December 2024: 3% - 25%)
		Capitalisation rate	2% – 7% (31 December 2024: 2% – 7%)
		Monthly rental	15 – 560
		(RMB/square meter/month)	(31 December 2024: 15 – 560)
	Residual method	Vacancy rate	5% - 15% (31 December 2024: 5% - 15%)
		Capitalisation rate	3% - 6% (31 December 2024: 3% - 6%)
		Monthly rental	30 – 200
		(RMB/square meter/month)	(31 December 2024: 30 – 200)
		Estimated developer's	5% - 8%
		profit margins	(31 December 2024: 5% - 8%)



14 Property, plant and equipment and investment properties (Continued)

		Significant	
	Valuation technique	unobservable inputs	Range
Investment properties -	Income capitalisation	Vacancy rate	5% - 25%
car parking space	method		(31 December 2024:
			5% - 25%)
		Capitalisation rate	3% – 4%
			(31 December 2024:
			3% - 4%)
		Monthly rental	250 - 850
		(RMB per car parking	(31 December 2024:
		spaces per month)	250 - 850)
	Residual method	Vacancy rate	20% - 25%
			(31 December 2024:
			20% - 25%)
		Capitalisation rate	3% – 4%
			(31 December 2024:
			3% – 4%)
		Monthly rental	250 - 300
		(RMB/square meter/month)	(31 December 2024:
			250 - 300)
		Estimated developer's profit	5% – 8%
		margins	(31 December 2024:
			5% - 8%)





14 Property, plant and equipment and investment properties (Continued)

The fair value of the Group's investment properties in the Mainland China is determined using income capitalisation method and residual method.

Fair value of completed investment properties for commercial, residential and carparks is generally derived using the income capitalisation method which determines fair values by discounting the projected cash flows associated with the properties using capitalisation rates. The valuation takes into account expected market rental growth and vacancy rate of the respective properties. The discount rates used have been adjusted for the quality and location of the buildings and the tenant credit quality. The fair value measurement is positively correlated to the expected market rental growth, and negatively correlated to the vacancy rate and the capitalisation rate.

Fair value of commercial properties and carparks under development is generally derived using the residual method which takes into account the residual value of the gross development value ("GDV") after deduction of the outstanding construction costs and expenses as well as profit element. It involves firstly the assessment of the aggregate GDV of the proposed development, as if completed, as at the valuation date. Estimated costs of the proposed development include construction costs, marketing expense, professional fee, finance charges and associated costs, plus an allowance for the developer's risk and profit. The outstanding development costs are then deducted from the GDV and the resultant figure is the residual value of the subject property.

Certificates of ownership in respect of certain investment properties of the Group with a net carrying amount of approximately HK\$2,941,429,000 as at 30 June 2025 (31 December 2024: HK\$2,950,172,000) have not yet been issued by the relevant PRC authorities. The Group is in the process of obtaining the relevant certificates.

As at 30 June 2025, the Group's plant, property and equipment and investment properties with a net carrying amount of HK\$1,015,000 and HK\$10,906,704,000 respectively (31 December 2024: HK\$1,017,000 and HK\$10,094,208,000) were pledged to secure bank loans granted to the Group (note 24(b)).





15 Leases

(a) Amounts recognised in the condensed consolidated statement of financial position

The condensed consolidated statement of financial position shows the following amounts relating to leases:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Right-of-use assets		
Buildings	246,454	270,119
Lease liabilities		
Current	85,863	93,909
Non-current	243,449	252,259
	329,312	346,168

Additions to the right-of-use assets during the interim period were HK\$26,022,000 (six months ended 30 June 2024: HK\$62,980,000).

(b) Amounts recognised in the condensed consolidated statement of profit or loss

Depreciation charge of right-of-use assets during the interim period was HK\$44,301,000 (six months ended 30 June 2024: HK\$54,325,000). Expenses relating to short-term leases and low-value assets was HK\$23,991,000 (six months ended 30 June 2024: HK\$12,727,000) and HK\$939,000 (six months ended 30 June 2024: HK\$1,352,000) respectively.

The total cash outflow for leases during the interim period was HK\$71,877,000 (six months ended 30 June 2024: HK\$52,682,000).





16 Investments in joint ventures

	30 June	30 June
	2025	2024
	HK\$'000	HK\$'000
Opening balances	7,942,496	8,735,858
Additions	127,171	34,481
Share of results	(119,939)	(279,296)
Exchange differences	112,734	(57,423)
Closing balances	8,062,462	8,433,620

As at 30 June 2025, the Group had an outstanding capital commitment to Shum King Company Limited ("Shum King") (note 27).

17 Investments in associates

	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Opening balances Share of results (including impairment losses) Share of other comprehensive income Additions Exchange differences	2,263,641 (1,803,634) 1,238 4,342 4,536	4,545,599 (271,138) (117,511) – (2,204)
Closing balances	470,123	4,154,746

Road King Infrastructure Limited ("Road King") announced on 14 August 2025 its decision to suspend the payment of all principal and interest falling due on all of Road King's offshore bank debt, notes and perpetual capital securities. The management of Road King confirmed to the Company that subsequent to the end of the reporting period, Road King suspended the payment of aggregate interest on two senior notes and offshore bank borrowings, which has become due and payable. The suspended payment may lead to certain creditors of Road King demanding acceleration of payment of Road King's offshore bank borrowings and senior notes and/or taking action pursuant to the respective terms of the relevant financing arrangements.



17 Investments in associates (Continued)

Due to the debt defaults of Road King, the Group performed an impairment test on the investment in Road King and recognised the share of results and impairment losses in total amounted to HK\$1,806,288,000 for the six months ended 30 June 2025. The recoverable amount of the investment has been determined based on fair value less cost of disposal, by reference to the market capitalization of Road King as at 30 June 2025.

18 Financial assets at fair value through profit or loss

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Non-current:	.	πφ σσσ
Financial assets measured at FVTPL		
- Listed equity investments in Mainland China	44,390	42,458
- Unlisted equity investments in Mainland China	98,694	97,191
	143,084	139,649
Current:		
Financial assets measured at FVTPL		
- Listed equity investments in Hong Kong	749	894

19 Trade and other receivables

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Included in non-current assets		
- Other receivables - net	684,787	661,023
Included in current assets		
- Trade receivables - net (a)	1,242,750	1,448,618
- Other receivables - net (b)	10,389,790	9,291,542
- Prepayments (c)	821,295	144,033
	12,453,835	10,884,193







19 Trade and other receivables (Continued)

(a) Details of trade receivables are as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Trade receivables	1,454,267	1,619,472
Less: provision for loss allowance	(211,517)	(170,854)
Trade receivables – net	1,242,750	1,448,618

The Group normally does not grant any credit terms to its customers for the sale of properties. The Group seeks to maintain strict control over its outstanding receivables. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables balances. Trade receivables are non-interest-bearing.

As at 30 June 2025, the Group's trade receivables with a net carrying value of approximately HK\$62,959,000 (31 December 2024: HK\$41,481,000) was pledged to secure other borrowings granted to the Group (note 24(b)).

An ageing analysis of the trade receivables as at the end of the reporting period, based on the contract date, is as follows:

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Within 1 year	772,599	1,006,851
1 to 2 years	305,454	455,255
2 to 3 years	284,353	33,096
Over 3 years	91,861	124,270
	1,454,267	1,619,472



Notes to the Interim Condensed Consolidated Financial Information

19 Trade and other receivables (Continued)

(b) Details of other receivables are as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Prepaid tax Dividend receivable from joint ventures	5,155,692	4,310,233
and associates Due from an associate Due from joint ventures	719,093 44,297 2,109,040	708,142 43,043 1,972,244
Due from non-controlling interests Due from fellow subsidiaries	526,231 3,314	512,686 24,312
Due from the ultimate holding company Due from the immediate holding company Others (i)	32,639 1,161 2,175,866	32,141 1,143 2,014,814
Less: allowance for impairment	10,767,333 (377,543)	9,618,758 (327,216)
Other receivables – net	10,389,790	9,291,542

Others mainly included deposits, dividends receivable and current amounts due from fellow subsidiaries of the Group.

(c) Details of prepayments are as follows:

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
For acquisitions of land	626,818	15,368
For construction costs and construction materials	77,699	69,117
Others	116,778	59,548
	821,295	144,033





20 Properties under development

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Construction costs	14,635,925	13,828,732
Land costs	43,707,994	47,008,630
Less: write-down	(194,434)	(280,724)
	58,149,485	60,556,638

As at 30 June 2025, the Group's properties under development with a net carrying amount of HK\$2,005,334,000 (31 December 2024: HK\$2,956,035,000) were pledged to secure bank loans granted to the Group (note 24(b)).

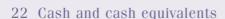
21 Completed properties held for sale

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Completed properties held for sale	33,095,511	33,111,785
Less: write-down	(558,603)	(377,333)
	32,536,908	32,734,452

During the interim period, the write-down of completed properties held for sale located in Mainland China of HK\$186,422,000 (six months ended 30 June 2024: HK\$73,279,000) was recognised in the Group's condensed consolidated statement of profit or loss.

As at 30 June 2025, the Group's completed properties held for sale with a net carrying amount of HK\$2,175,538,000 (31 December 2024: HK\$2,562,557,000) were pledged to secure bank loans granted to the Group (note 24(b)).





	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Cash and bank balances	10,352,345	11,799,544
Less: restricted cash (a) bank deposits (b)	(5,408,946) (28,312)	(5,983,560) (29,984)
Cash and cash equivalents	4,915,087	5,786,000

As at 30 June 2025, cash and cash equivalents did not include housing maintenance funds of HK\$53,117,000 (31 December 2024: HK\$57,043,000) which were owned by the property owners but were deposited in the bank accounts in the name of the Group. Such deposits can be used by the Group for the purpose of public maintenance expenditures to be incurred at the sole discretion and approval of the relevant government authorities.

- (a) Restricted cash mainly represented unreleased guarantee deposits for construction of pre-sale properties denominated in RMB placed in designated bank accounts as at 30 June 2025, and will be released in accordance with certain construction progress milestones.
- (b) These bank deposits were with original maturity over three months. The effective interest rate of these deposits as at 30 June 2025 was 1.26% per annum (31 December 2024: 1.41% per annum).







23 Share capital and reserves

(a) Share capital

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Issued and fully paid: 8,898,793,115 (31 December 2024: 8,898,793,115) ordinary shares	22,071,756	22,071,756

(b) Reserves

The amounts of the Group's reserves and the movements therein for the current period are set out in the condensed consolidated statement of changes in equity.

24 Bank and other borrowings

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Non-current	ΤΙΚΦ 000	ΤΙΙΦ 000
Bank loans – secured (a)	284,662	587,649
Bank loans – unsecured	19,707,996	18,421,395
Other borrowings – secured CMBS (a)	7,167,294	3,795,437
	27,159,952	22,804,481
Current		
Bank loans – secured (a)	579,990	467,314
Bank loans – unsecured	9,291,892	10,606,523
Other borrowings – secured CMBS (a)	156,704	3,486,731
	10,028,586	14,560,568
	37,188,538	37,365,049

All of the non-current interest-bearing borrowings are carried at amortised cost.



Notes to the Interim Condensed Consolidated Financial Information

24 Bank and other borrowings (Continued)

(a) At 30 June 2025, loans amounting to approximately HK\$8,188,650,000 (31 December 2024: HK\$8,337,131,000) were secured by certain of the Group's assets with carrying amounts as below:

	Carrying Amount	
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Plant, property and equipment		
(included land and buildings) (note 14)	1,015	1,017
Properties under development (note 20)	2,005,334	2,956,035
Completed properties held for sale (note 21)	2,175,538	2,562,557
Trade receivables (note 19)	62,959	41,481
Investment properties (note 14)	10,906,704	10,094,208
	15,151,550	15,655,298

- (b) At 30 June 2025, bank borrowings of approximately HK\$25,141,096,000 (31 December 2024: HK\$23,797,915,000) were bearing floating rates.
- (c) Except for the bank borrowings equivalent to approximately HK\$14,140,112,000 (31 December 2024: HK\$14,077,300,000), which are denominated in Hong Kong dollars, all other borrowings as at 30 June 2025 are denominated in RMB.
- (d) For the six months ended 30 June 2025, the average effective interest rate of the bank and other borrowings was 3.58% per annum (six months ended 30 June 2024: 3.98% per annum).





25 Trade and other payables

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Trade payables (a) Other payables and accruals (b) Other taxes payables	5,182,559 11,947,226 178,290	5,803,323 12,655,152 361,191
	17,308,075	18,819,666

(a) Trade payables

The ageing analysis of the trade payables based on invoice date was as follows:

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Within 1 year	4,263,532	5,224,385
1 to 2 years	595,671	171,538
2 to 3 years	131,646	177,447
Over 3 years	191,710	229,953
	5,182,559	5,803,323





25 Trade and other payables (Continued)

(b) Other payables and accruals

Other payables and accruals mainly included deposits from property buyers and current accounts due to joint ventures, fellow subsidiaries and non-controlling interests of the Group.

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Accruals and other payables	5,254,745	4,915,153
Output VAT to be transferred	2,647,861	2,427,725
Employee benefits payable	730,606	803,271
Dividend payables to non-controlling shareholders	153,819	88,435
Due to a joint venture	132,820	12,601
Due to fellow subsidiaries	1,884,726	1,906,341
Due to an other related company	_	167,558
Due to non-controlling interests	1,142,649	2,334,068
	11,947,226	12,655,152

26 Share option scheme

The Company operated a share option scheme (the "Scheme") which was approved and adopted on 22 June 2012 for the purpose of providing incentives and rewards to directors and employees of the Group who contribute to the success of the Group's operations. The Scheme became effective on 22 June 2012 and, unless otherwise cancelled or amended, shall be valid and effective for a period of 10 years from that date, after which period no further options will be issued but in all other respects the provisions of the Scheme shall remain in full force and effect.

The Company adopted a new share option scheme on 31 May 2022 ("Share Option Scheme"). No options have been granted under the Share Option Scheme since its adoption. 882,249,311 and 887,409,311 options are available for grant at the beginning and end of the period respectively under the Share Option Scheme.





26 Share option scheme (Continued)

(a) Share options outstanding at the end of the reporting period

The terms and conditions of the share options outstanding as at the end of the reporting period are as follows:

	Number of instruments	Exercise price HK\$	Vesting date	Expiry date	Remaining Contractual life of options
At 30 June 2025					
Options granted to employees:					
– on 28 September 2021	-	2.00	2022-1-18	2025-1-17	-
– on 28 September 2021	-	2.00	2023-1-18	2025-1-17	-
– on 28 September 2021	-	2.00	2024-1-18	2025-1-17	-
Options granted to employees:					
– on 28 September 2021	988,000	2.00	2022-9-28	2025-9-27	0.24
– on 28 September 2021	741,000	2.00	2023-9-28	2025-9-27	0.24
– on 28 September 2021	741,000	2.00	2024-9-28	2025-9-27	0.24
Total outstanding share options	2,470,000				

At the end of the reporting period, the Company had 2,470,000 share options outstanding under the Scheme, representing approximately 0.03% of the Company's shares in issue as at that date.

The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 2,470,000 additional ordinary shares of the Company and an increase in share capital and reserve of HK\$5,405,000.

The Group did not recognised any share option expense during the six months ended 30 June 2025 (six months ended 30 June 2024: HK\$27,000).



Notes to the Interim Condensed Consolidated Financial Information

27 Commitments

Capital commitments outstanding at 30 June 2025 not provided for in the interim financial report were as follows:

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Commitments in respect of the acquisition of		
land and buildings, and development costs		
attributable to properties under development:		
Contracted, but not provided for	7,443,206	7,144,700

The Group agreed a maximum capital contribution to a related party, Shum King, of HK\$3,000,000,000 for its development of a piece of land in Hong Kong. As at 30 June 2025, the Group had an outstanding capital commitment to Shum King of HK\$1,450,000,000 (31 December 2024: HK\$1,542,500,000).

28 Financial guarantees

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Financial guarantees		
 to the mortgage of purchasers of the Group's 		
properties (a)	13,611,249	13,070,659
- to related parties of the Group (b)	869,878	1,445,322
- to the parties affected by the urban renewal project,		
using their demolished properties as collateral		
for the loan (c)	325,164	323,381





28 Financial guarantees (Continued)

(a) Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the related properties. The Group's guarantee period commences from the date of grant of the relevant mortgage loan and ends after the buyer of the Group's properties obtained the individual property ownership certificate.

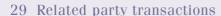
The directors consider that in case of default in payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage loans together with any accrued interest and penalty and therefore no provision has been made in connection with the guarantees.

- (b) As at 30 June 2025, the Group has given guarantees amounted to HK\$869,878,000 (31 December 2024: HK\$1,445,322,000) in respect of bank loans and other borrowings to Guangzhou Pik Zeon Real Estate Development Company Limited, Taizhou Shum Yip Investment Development Limited and Shum King, all of which are joint ventures of the Group.
- (c) During the interim period, the Group provided loan guarantees to the parties affected by the urban renewal project, using their demolished properties as collateral for the loan.

Pursuant to the terms of the guarantees, if there is default on repayment by these affected parties, the Group is responsible for repaying the outstanding bank loans with any accrued interest and penalties owed to the bank. The Group is then entitled to take over the legal ownership of the repossessed properties. The Group's guarantee period extends from the date of signing the guarantee contract until the affected parties obtain the ownership certificate of the repossessed properties.

The directors consider that in case of default in payment, the net realizable value of the related properties is sufficient to repay the outstanding loans along with any accrued interest and penalties, and therefore no provisions have been made in connection with the guarantees.





In addition to the financial guarantees provided to joint ventures disclosed in note 28(b) and the capital commitments provided to a joint venture disclosed in note 27, the Group had the following significant related party transactions:

(a) Financing arrangements

(i) The Group entered certain financing arrangements with its related parties, as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Loans from the ultimate holding company	18,064,830	18,349,939
Loans from the immediate holding company	3,803,194	3,647,383
Loans from non-controlling interests	1,142,649	2,319,309
Loans from fellow subsidiaries	1,884,726	1,889,199
Loans from a joint venture	132,820	_
Loans from a related company	_	167,558
	25,028,219	26,373,388

The balances are interest bearing at interest rates ranging from 2.30% to 6.65% per annum (31 December 2024: 2.30% to 6.65% per annum). The relevant finance costs for the interim period are disclosed in note 10.







29 Related party transactions (Continued)

(a) Financing arrangements (Continued)

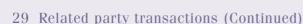
(ii) The Group had provided loans to its related parties, as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Loans to an associate	25,917	24,942
Loans to joint ventures Loans to non-controlling interests	2,046,036 520,621	1,951,104 507,210
	2,592,574	2,483,256

	Six months ended 30 June		
	2025 20		
	HK\$'000	HK\$'000	
Interest income from an associate	583	599	
Interest income from joint ventures	66,615	76,412	
Interest income from non-controlling			
interests	5,198	5,728	
	72,396	82,739	

The balances are interest bearing at rates ranging from 3.5% to 8.0% per annum (six months ended 30 June 2024: from 3.5% to 8.0% per annum).





(b) Leasing arrangements

- (i) The Group entered into leases in respect of certain leasehold properties from its related parties, with lease terms ranging from 1 year to 3 years. During the six months ended 30 June 2025, the amounts of rent payable by the Group under these leases to its ultimate holding company, immediate holding company and associate were HK\$3,738,000 (six months ended 30 June 2024: HK\$2,667,000) and HK\$5,197,000 (six months ended 30 June 2024: HK\$12,624,000) respectively. The related interest expenses from its ultimate holding company and associate for the six months ended 30 June 2025 were HK\$170,000 (six months ended 30 June 2024: HK\$172,000) and HK\$586,000 (six months ended 30 June 2024: HK\$325,000) respectively.
- (ii) The Group also entered into lease arrangements with its ultimate holding company as a lessor. For the six months ended 30 June 2025, the rental income in respect of the lease arrangement was HK\$4,899,000 (six months ended 30 June 2024: HK\$3,543,000).
- (iii) The prices for the above transactions were determined based on mutual agreement between the parties.



Notes to the Interim Condensed Consolidated Financial Information

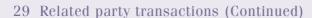


29 Related party transactions (Continued)

(c) Other related party transactions

- (i) The Group entered into arrangements with its ultimate holding company and fellow subsidiaries in which the Group provides management services (training and property management). For the six months ended 30 June 2025, the management fee income in respect of the management services provided to the ultimate holding company and fellow subsidiaries were HK\$897,000 and HK\$19,882,000 respectively (six months ended 30 June 2024: HK\$2,014,000 and HK\$16,033,000).
- (ii) The Group entered into the development and construction services agreement with the parent of its non-controlling interest. The parent of its non-controlling interest will provide development, construction, marketing and other services to the Group. The service fee shall be determined and accrued and payable by the Group to the parent of its non-controlling interest. For the six months ended 30 June 2025, the cost in respect of these services was HK\$110,591,000, included value-added tax (six months ended 30 June 2024: HK\$69,970,000). This transaction constitutes the continuing connected transactions under Hong Kong Listing Rules.
- (iii) The Group entered into the digital platform development agreements and the digital platform repair and maintenance services agreements with its ultimate holding company and fellow subsidiaries for the provision of services of development and maintenance of digital platforms and systems. For the six months ended 30 June 2025, the service fee income in respect of the development and maintenance services provided to the ultimate holding company and fellow subsidiaries were HK\$110,000 and HK\$1,138,000 (six months ended 30 June 2024: HK\$141,000 and HK\$1,060,000).





(c) Other related party transactions (Continued)

- (iv) The Group also entered into arrangements with its fellow subsidiaries which provide hotel management services to the Group. For the year ended 30 June 2025, the management fee in respect of these event management services was HK\$3,551,000 (six months ended 30 June 2024: nil).
- (v) During the six months ended 30 June 2025, the Group provided development and construction services to the subsidiaries of its joint venture, Tian An Cyber Park (Group) Co., Ltd, the relevant revenue earned is HK\$9,800,000 (six months ended 30 June 2024: HK\$12,671,000).
- (vi) The prices for the above-mentioned transactions with related parties were determined based on mutual agreement between the parties.

(d) Outstanding balances with related parties:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Due from associates	18,380	18,101
Due from joint ventures	63,004	21,140
Due from non-controlling interests	5,610	5,476
Due from fellow subsidiaries	3,314	24,312
Due from the ultimate holding company	32,639	32,141
Due from the immediate holding company	1,161	1,143
	124,108	102,313







29 Related party transactions (Continued)

(d) Outstanding balances with related parties: (Continued)

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Due to the ultimate holding company Due to the immediate holding company	313,598 702,559	302,737 688,643
Due to a joint venture	_	12,601
Due to fellow subsidiaries	_	17,142
Due to non-controlling interests	_	14,759
	1,016,157	1,035,882

These balance are unsecured, interest-free and has no fixed terms of repayment.

(e) Compensation of key management personnel of the Group

	Six months ended 30 June		
	2025	2024	
	HK\$'000	HK\$'000	
Short term employee benefits	5,011	5,873	
Post-employment benefits	681	1,249	
Share-based payments	_	27	
Total compensation paid to			
key management personnel	5,692	7,149	





30 Contingencies

On 29 November 2024, Chengdu Fengze Investment Co., Ltd and Shum Yip Terra (Holdings) Company Limited (collectively, "Subsidiaries"), both being non-wholly-owned subsidiaries of the Group, received a statement of claim from the Intermediate People Court of Chengdu City regarding the claims by Sichuan Haofu Industrial Co., Ltd. against the Subsidiaries and four individuals (all of the individuals are not directors or senior management of the Company) regarding the disputes in earnings distribution over the investment of "198" Congshu Area in Chenghua district, Chengdu, the People's Republic of China, with a claim amount of approximately RMB220 million. The first trial of the case commenced on 24 December 2024 and is now in progress. Chengdu Fengze Investment Co., Ltd and Shum Yip Terra (Holdings) Company Limited have engaged external legal advisers to handle the litigation, and will rigorously defend the litigation to protect the legitimate interest of the Group. Based on the current assessment and the legal opinions, management considers that the litigation has no material adverse financial impact on the operations of the Group.

31 Subsequent events after the reporting period

There have been no material subsequent events.

Disclosure of Interests



Directors' Interests in Shares

As at 30 June 2025, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of SFO), or which were recorded in the register required to be kept under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") adopted by the Company were as follows:—

Long positions in the shares ("Shares") and underlying shares of the Company:

Name of director	Capacity	Number of Shares	Percentage of Shares in issue (Note)
LI Wai Keung	Beneficial owner	1,180,880	0.01

Note: The percentage was calculated based on 8,898,793,115 Shares in issue as at 30 June 2025.



Save as disclosed above, none of the directors and chief executive of the Company had, as at 30 June 2025, any interests or short positions in any Shares and underlying shares or debentures of the Company or any of its associated corporations (which is the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of Shares in, or debt securities (including debentures) of, the Company or its associated corporations and none of the directors, or their spouse or children under the age of 18, had any rights to subscribe for equity or debt securities of the Company or its associated corporations, or had exercised any such rights.

Interests of Substantial Shareholders

So far as is known to any director or chief executive of the Company, as at 30 June 2025, the interests and short positions of the shareholders (other than directors or chief executives of the Company) who had interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:



Disclosure of Interests



		Number	of Shares	Percentage of
Name	Capacity	Long Position	Short Position	Shares in issue (Note 1)
Shum Yip Group Limited* ("SYG")	Interest in controlled corporation	5,622,994,189 (Note 2)	-	63.19
Shum Yip Holdings Company Limited ("SYH")	Beneficial owner	5,546,307,730	_	62.33
	Interest in controlled corporation	76,686,459 (Note 3)	-	0.86
ALPHA-OMEGA CORPORATION	Beneficial owner	981,486,312	_	11.03

Notes:

- 1. The percentage was calculated based on 8,898,793,115 Shares in issue as at 30 June 2025.
- SYG is deemed to be interested in the 5,622,994,189 Shares which SYH is interested in by virtue of SYH being its direct 90%-owned subsidiary.
- These 76,686,459 Shares were held by Goldclass Industrial Limited, a wholly-owned subsidiary of Successful Years Holdings Limited, which in turn is wholly-owned by Shum Yip Finance Company Limited ("SYF"). SYF is a wholly-owned subsidiary of SYH and accordingly, SYH is deemed to be interested in these 76,686,459 Shares.
- * The English translation is for identification purpose only

Save as disclosed above, as at 30 June 2025, the Company had not been notified by any person (other than directors and chief executives of the Company) who had interests or short positions in the Shares and underlying shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO.



Other Information

Share Option Scheme

The Company adopted a share option scheme on 22 June 2012 ("Old Share Option Scheme"), which had expired on 19 June 2022. No further options may be granted under the Old Share Option Scheme but all options granted and outstanding thereunder shall continue to be valid and exercisable in accordance with their terms of grant. As at 30 June 2025, 2,470,000 options granted under the Old Share Option Scheme were still outstanding.

The Company adopted a new share option scheme on 31 May 2022 ("Share Option Scheme"). No options have been granted under the Share Option Scheme since its adoption. 882,249,311 and 887,409,311 options are available for grant at the beginning and end of the period respectively under the Share Option Scheme.

The total number of shares which may be issued in respect of all options granted under the Share Option Scheme and any other share option schemes of the Company, namely the Old Share Option Scheme, is 889,879,311.

The particulars of, and movements in, the outstanding share options granted under the Old Share Option Scheme during the period are set out below:

	<u> </u>	As at 1	lanuary 2025			Movements dur	ing the period	<u></u>		As at 3	0 June 2025	ow.
Name/ Categories of grantee	Outstanding Share Options	Date of grant	Exercise period/ Vesting period	Exercise Price HK\$	Share Options granted	Share Options exercised	Share Options lapsed	Share Options cancelled	Outstanding Share Options	Date of grant	Exercise period/ Vesting period	Exercise Price
Employee participants	5,160,000	28/9/2021	18/1/2022 - 17/1/2025*	2.00	-	-	5,160,000	-	0	28/9/2021	18/1/2022 - 17/1/2025*	2.00
	2,470,000	28/9/2021	28/9/2022 - 27/9/2025**	2.00	-	-	-	-	2,470,000	28/9/2021	28/9/2022 - 27/9/2025**	2.00
Total	7,630,000				_	_	5,160,000	-	2,470,000			

Other Information



* Options are exercisable subject to performance review and the following vesting term:

Maximum percentage (and the corresponding number) of Share Option exercisable (including Share Options previous exercised)	Exercise period of the relevant percentage of the Share Option
40% (2,064,000 Share Options)	at any time from 18 January 2022 to 17 January 2023
70% (3,612,000 Share Options)	at any time from 18 January 2023 to 17 January 2024
100% (5,160,000 Share Options)	at any time from 18 January 2024 to 17 January 2025

** Options are exercisable subject to performance review and the following vesting term:

Maximum percentage (and the corresponding number) of Share Option exercisable (including Share Options previous exercised)	Exercise period of the relevant percentage of the Share Option
40% (988,000 Share Options)	at any time from 28 September 2022 to 27 September 2023
70% (1,729,000 Share Options)	at any time from 28 September 2023 to 27 September 2024
100% (2,470,000 Share Options)	at any time from 28 September 2024 to 27 September 2025

Interim Dividend

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025.





Corporate Governance

During the six months ended 30 June 2025, the Company has applied the principles and complied with all code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), except for the deviation of code provision C.2.1 of the CG Code as expressly stated below.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the six months ended 30 June 2025, Mr. WANG Yuwen ("Mr. WANG") continued to act as the President of the Company after he assumed the role of the Chairman of the Board on 29 April 2025, which deviates from the above code provision C.2.1. However, such arrangement is temporary in nature and the Company is in the process of identifying a suitable candidate with appropriate experience as its President. The Board considers that Mr. WANG has extensive experience and knowledge in management and is familiar with the business operations of the Company. Having Mr. WANG as the Chairman of the Board and President before a new President takes office can ensure the stability of the Company's operations and facilitate the execution of the Company's business strategies. Under the supervision of other existing members of the Board, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

Compliance with Model Code

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the directors. On specific enquiries made, all directors of the Company have confirmed that they have complied with the required standard set out in the Model Code throughout the period from 1 January 2025 to 30 June 2025.

Purchase, Sale or Redemption of The Company's Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the period.

Continuing Disclosure Requirements under the Listing Rules

In compliance with continuing disclosure obligations under the Listing Rules, the following information is disclosed:

Pursuant to Rule 13.21 of the Listing Rules
 Banking facilities with covenants in relation to specific performance of the controlling shareholder:

Other Information



On 26 June 2019, the Company as borrower accepted the facility letter ("1st Facility Agreement") relating to a revolving loan facility of up to RMB1,000,000,000 ("1st Facility") offered by a bank as lender. The 1st Facility is subject to annual review by the lender.

On 14 June 2022, the Company as borrower entered into a facility agreement ("2nd Facility Agreement") with certain banks as lenders relating to a term loan facility of HK\$5,000,000,000 ("2nd Facility") for a term of up to 3 years.

On 11 May 2023, the Company as borrower accepted a facility letter ("3rd Facility Agreement") relating to a revolving loan facility of up to HK\$500,000,000 (or its equivalent amount in RMB) ("3rd Facility") offered by a bank as lender. The term of the 3rd Facility is 3 years.

On 12 May 2023, the Company as borrower accepted a facility letter ("4th Facility Agreement") relating to a term loan facility of HK\$1,000,000,000 ("4th Facility") offered by a bank as lender. The term of the 4th Facility is 3 years.

On 16 May 2023, the Company as borrower entered into a facility agreement ("5th Facility Agreement") with certain banks as lenders relating to a term loan facility of HK\$3,500,000,000 ("5th Facility"). The term of the 5th Facility is 3 years.

On 5 February 2024, the Company as borrower accepted a facility letter ("6th Facility Agreement") relating to a term loan facility of HK\$1,000,000,000 (or its equivalent in US\$) ("6th Facility") offered by a bank as lender. The term of the 6th Facility is 3 years.

On 6 February 2024, the Company as borrower accepted a facility letter ("7th Facility Agreement") relating to a term loan facility of HK\$300,000,000 (or its equivalent in RMB) ("7th Facility") offered by a bank as lender. The term of the 7th Facility is 3 years.

On 24 April 2024, the Company as borrower accepted a facility letter ("8th Facility Agreement") relating to a term loan facility of US\$100,000,000 (or its equivalent in HK\$) (the "8th Facility") offered by a bank as lender. The term of the 8th Facility is 3 years.

On 3 July 2024, the Company as borrower accepted a facility letter ("9th Facility Agreement") relating to a revolving loan facility of HK\$1,000,000,000 ("9th Facility") offered by a bank as lender. The term of the 9th Facility is 3 years.

On 16 September 2024, the Company as borrower entered into a facility agreement ("10th Facility Agreement") relating to a term loan facility of up to HK\$2,000,000,000 ("10th Facility") offered by a bank as lender. The term of the 10th Facility is 36 months.



On 20 March 2025, the Company as borrower entered into a facility agreement ("11th Facility Agreement", together with the 1st Facility Agreement, 2nd Facility Agreement, 3rd Facility Agreement, 4th Facility Agreement, 5th Facility Agreement, 6th Facility Agreement, 7th Facility Agreement, 8th Facility Agreement, 9th Facility Agreement and 10th Facility Agreement collectively referred to as the "Facility Agreements") with certain banks as lenders for a HK\$4,000,000,000 term loan facility ("11th Facility") for a term of up to 3 years.

Under each of the Facility Agreements, it will be an event of default if Shum Yip Holdings Company Limited ceases to own beneficially at least 35% of the issued share capital of the Company, ceases to be the single largest shareholder of the Company, ceases to have management control of the Company, or ceases to remain beneficially owned as to at least 51% by the Shenzhen Municipal People's Government of the People's Republic of China and at any time after the happening of an event of default, all sum payable under the facilities may become immediately due and payable.

As at 30 June 2025, all advances made under the 2nd Facility Agreement had been fully repaid.

Pursuant to Rule 13.51B(1) of the Listing Rules
 Save as disclosed below, there is no change in the information of the directors of the Company required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published annual report:

Mr. WANG Yuwen was appointed as the Chairman of the board of directors of the Company with effect from 29 April 2025.

The Company entered into a letter of appointment with Dr. WONG Yau Kar, David for a term of 3 years commencing on 13 June 2025, subject to retirement by rotation and re-election in accordance with the articles of association of the Company.

Ms. CAI Xun and Prof. GONG Peng were appointed as members of the nomination committee of the Company with effect from 30 June 2025.

Review of Financial Information

The Audit Committee of the Company has reviewed the accounting principles and practices adopted by the Group and the unaudited condensed consolidated financial information of the Group for the six months ended 30 June 2025.





