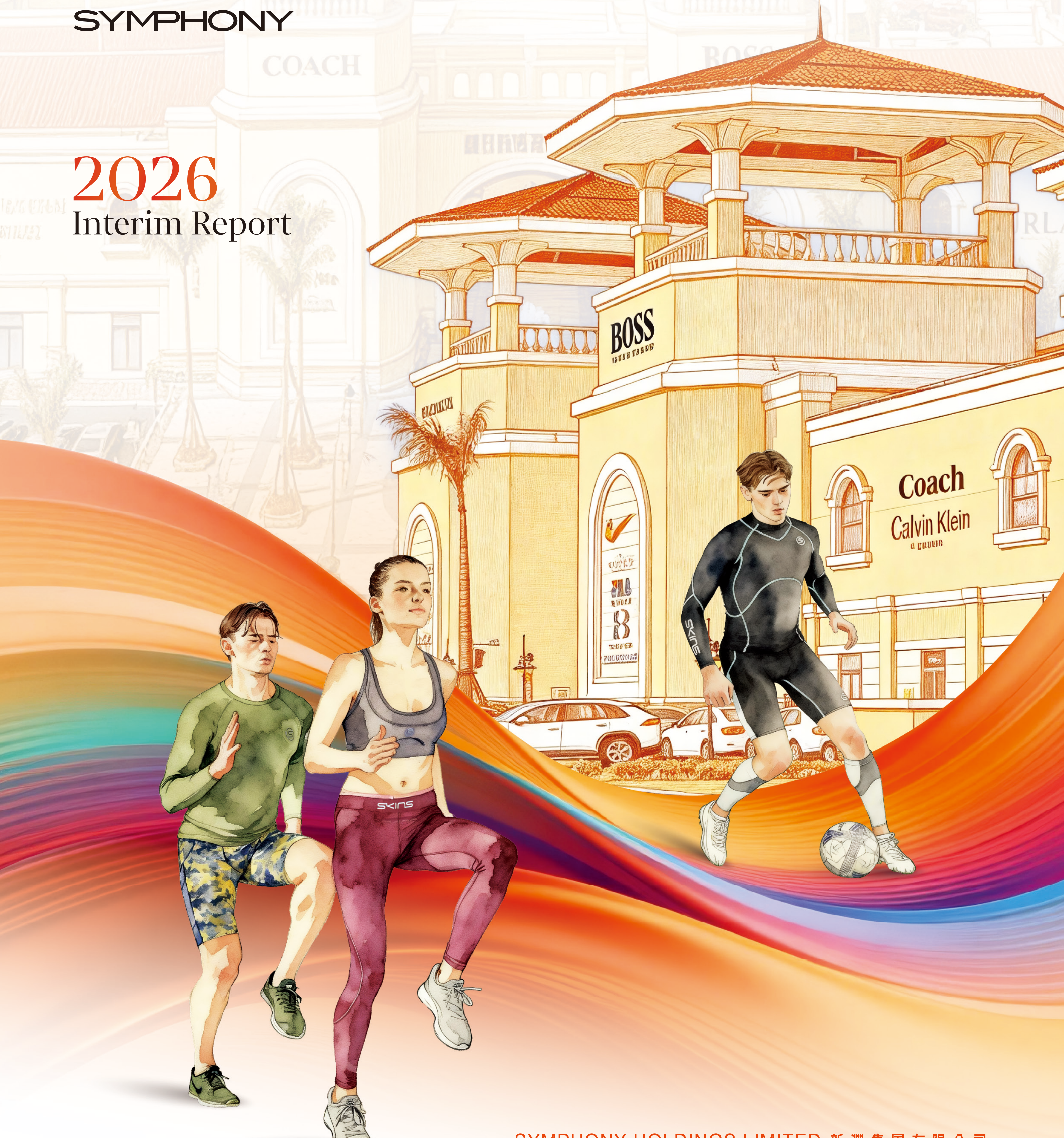
SYMPHONY

2026
Interim Report



SYMPHONY HOLDINGS LIMITED 新灃集團有限公司

(Incorporated in Bermuda with limited liability) Stock Code : 01223

Contents

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Cheng Tun Nei *(Chairman & Chief Executive Officer)*
Mr. Chan Kar Lee Gary
Mr. Lee Cheung Ming
Ms. Fung Kim Wan Ewim

Independent Non-executive Directors

Mr. Shum Pui Kay
Mr. Wah Wang Kei Jackie
Ms. Ma Yin Fan

BOARD COMMITTEES

Audit Committee

Ms. Ma Yin Fan *(Chairlady)*
Mr. Shum Pui Kay
Mr. Wah Wang Kei Jackie

Remuneration Committee

Mr. Wah Wang Kei Jackie *(Chairman)*
Mr. Shum Pui Kay
Ms. Ma Yin Fan

Nomination Committee

Mr. Cheng Tun Nei *(Chairman)*
Mr. Shum Pui Kay
Ms. Ma Yin Fan

COMPANY SECRETARY

Mr. Tam Sik Wai

AUDITOR

BDO Limited
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

REGISTERED OFFICE

Richmond House
12 Par-la-Ville Road
Hamilton HM 08
Bermuda

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

10/F., Island Place Tower
510 King's Road
North Point
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Richmond House
12 Par-la-Ville Road
Hamilton HM 08
Bermuda

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
17/F., Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Bank of East Asia, Limited
First Commercial Bank Limited
Bank of China (Hong Kong) Limited

WEBSITE

www.symphonyholdings.com

STOCK CODE

1223

Chairman's Statement

Dear Shareholders,

On behalf of the board (the "**Board**") of directors (the "**Directors**") of Symphony Holdings Limited (the "**Company**"), I hereby present the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 (the "**Period**") together with comparative figures for the corresponding period in 2025 (the "**Corresponding Period**").

In the first half of 2026, the pace of global economic recovery varied across regions, and the PRC economy sustained a moderate recovery trajectory amid structural adjustments. The consumer market maintained overall stable operations, led by outstanding performance in the service retail sector. In response to continuously evolving market demand, the Group adhered to a prudent and sound operation strategy, focusing on business portfolio optimization and digital transformation. Leveraging its inherent resilience and strong execution capabilities, the Group achieved high-quality and steady growth.

RETAILING BUSINESS

Our core brand "Park Outlets" gave full play to the synergetic effect between outlets model and community business. Against the backdrop of a moderately recovering market, "Park Outlets" in Xiamen demonstrated strong growth momentum, achieving the milestone of exceeding RMB100 million in sales for the first month of the year for four consecutive years and recording, for the first time since its opening, sales of exceeding RMB100 million for two consecutive months during the Period, standing as a testament to its exceptional operational capability and brand appeal. "Park Outlets" in Shenyang continued to optimize its brand portfolio and strengthened its diversification strategy, achieving remarkable sales performance during the Spring Festival and May Day Golden Week. During the Period, by focusing on necessary household consumption, the community malls located in Chongqing and Tianjin promoted cross-sector collaborations to empower merchants in expanding their customer base, leveraged new-media live-action promotional content to boost online visibility, and actively introduced quality lifestyle service brands while advancing hardware upgrades, significantly improving consumer experience and satisfaction and further gaining momentum in commercial vitality.

Looking ahead, the retailing segment will continue to optimize its diversified brand portfolio through the introduction of local and international premium brands, while doubling down on improving in-store experience to create an immersive consumption environment. By seizing the high-quality development opportunities and focusing on the residents' actual needs, the community malls will optimize its lifestyle service offerings, strengthen cross-sector collaboration and regularly provide convenience services. In terms of marketing innovation, the segment will push forward its omni-channel digital transformation and advance the application of new-media promotion and targeted membership outreach mechanism, further enhancing foot traffic, operational efficiency and brand reputation.

BRANDING BUSINESS

The compression sportswear brand "SKINS" continued to optimize its competitive strength. As to health care business, leveraging on the comprehensive product system built up with over 100 self-owned and cooperated brands, Supremium Bio-Technology Limited ("**SBT**") won high recognition from the local markets. It also successfully expanded cross-border e-commerce channels, thereby expediting the penetration into the Southeast Asia market. SBT will continue to explore middle-aged and elderly health management, youth health and other niche markets in the Greater Bay Area and Southeast Asia, in order to further increase its market share. As to the Japanese sake business, the Group focused on refining its market strategy.

Chairman's Statement

FINANCIAL SERVICES BUSINESS

The financial services business stuck to the prudent operation principle, and made steady progress in expanding quality customer base while perfecting its risk management system. Benefiting from the structural opportunities arising from the capital market and a stable interest rate environment, the financial service business provided steady revenue stream for the Group, serving as an effective buffer against overall business risks.

PROSPECT

Looking forward to the second half of 2026, while the global economy continue to face geopolitical, inflationary and other uncertainties, the Chinese government will continue to roll out targeted policies to stimulate domestic demand and boost service-based consumption and green consumption, creating new growth drivers for the market. The Group will adopt a flexible approach in capturing opportunities brought by policy support, dynamically refine its operation innovation and market expansion strategies, and meanwhile maintain a prudent stance in exploring new business prospects, in an effort to achieve high-quality development amidst a complex and ever-changing environment and strive to create long-term sustainable value for the shareholders.

On behalf of the Board, I hereby extend my sincere thanks to all employees for their hard work and dedication as well as our business partners for their trust and support. Together, we will continue to forge ahead steadily and embrace development opportunities that lie ahead.

Cheng Tun Nei
Chairman
Hong Kong, 28 August 2026

Management Discussion and Analysis

FINANCIAL REVIEW

Overview of interim results

For the Period, the Group's overall revenue increased by approximately 16.8% to approximately HKD173.1 million (Corresponding Period: approximately HKD148.2 million).

The Group recorded an unaudited consolidated loss of approximately HKD10.3 million for the Period as compared with an unaudited consolidated loss of approximately HKD12.8 million for the Corresponding Period. Total comprehensive income attributable to owners of the Company for the Period amounted to approximately HKD70.2 million as compared with approximately HKD45.4 million for the Corresponding Period.

The Group's net asset value increased from approximately HKD2,362.3 million as at 31 December 2025 to approximately HKD2,417.4 million as at 30 June 2026.

Segment information

Branding

The branding segment comprised of: (i) development and management of "SKINS" trademarks; (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong; and (iii) manufacturing and distribution of Japanese sake.

Revenue for the Period amounted to approximately HKD30.0 million (Corresponding Period: approximately HKD20.2 million), representing an increase of approximately 48.9%. The segment gross profit margin decreased from approximately 62.5% for the Corresponding Period to approximately 54.3% for the Period. Reportable segment loss for the Period amounted to approximately HKD1.7 million (Corresponding Period: reportable segment loss of approximately HKD2.5 million).

Retailing

The retailing segment comprised of: (i) management and operation of outlet malls located in Xiamen, Shenyang and Anyang of the PRC; and (ii) investment properties including commercial premises located in Hong Kong, Beijing and Shanghai of the PRC and community malls located in Chongqing and Tianjin of the PRC. The investment properties are held under long-term leases and for the purpose of either earning rental income or capital appreciation.

Revenue for the Period amounted to approximately HKD135.7 million (Corresponding Period: approximately HKD119.8 million), representing an increase of approximately 13.3%. Reportable segment profit for the Period amounted to approximately HKD26.4 million (Corresponding Period: reportable segment profit of approximately HKD11.3 million).

Financial services

The financial services segment continues to generate service income or interest income from the provision of securities brokerage, margin financing, money lending and financial consultancy services in Hong Kong.

Revenue for the Period amounted to approximately HKD7.3 million (Corresponding Period: approximately HKD8.3 million), representing a decrease of approximately 11.2%. Reportable segment loss for the Period amounted to approximately HKD2.4 million (Corresponding Period: reportable segment loss of approximately HKD1.9 million).

Cost of sales and gross profit

Cost of sales comprised of the cost of goods sold. The cost of sales increased from approximately HKD7.6 million for the Corresponding Period to approximately HKD13.7 million for the Period, representing an increase of approximately 81.4%.

Gross profit for the Period amounted to approximately HKD159.4 million, representing an increase of approximately HKD18.7 million or approximately 13.3% as compared with approximately HKD140.7 million for the Corresponding Period.

Other income and gains

Other income and gains mainly comprised of the reimbursement income of outlet malls and interest income. Other income and gains decreased from approximately HKD35.7 million for the Corresponding Period to approximately HKD12.3 million for the Period, representing a decrease of approximately 65.6%.

Distribution and selling expenses

Distribution and selling expenses mainly comprised of the advertising and promotion expenses and employees' costs. Distribution and selling expenses increased from approximately HKD29.7 million for the Corresponding Period to approximately HKD32.9 million for the Period, representing an increase of approximately 10.7%.

Administrative expenses

Administrative expenses mainly comprised of employees' costs, PRC tax surcharges and levies, professional fees and utility expenses. Administrative expenses decreased from approximately HKD69.4 million for the Corresponding Period to approximately HKD61.4 million for the Period, representing a decrease of approximately 11.5%.

Finance costs

Finance costs mainly comprised of interest expenses on bank borrowings. Finance costs decreased from approximately HKD39.7 million for the Corresponding Period to approximately HKD28.0 million for the Period, representing a decrease of approximately 29.5%.

Fair value loss on financial assets at fair value through profit or loss

Fair value loss on financial assets at fair value through profit or loss for the Period amounted to approximately HKD3.9 million, representing an increase of approximately HKD1.4 million as compared with the fair value loss of approximately HKD2.5 million for the Corresponding Period.

Income tax expense

Income tax expense increased from approximately HKD5.4 million for the Corresponding Period to approximately HKD12.1 million for the Period, representing an increase of approximately 124.7%.

Loss for the period attributable to owners of the Company

The Group reported loss for the period attributable to owners of the Company of approximately HKD10.0 million for the Period as compared with loss of approximately HKD13.3 million for the Corresponding Period. The reduction in loss was mainly due to the combined effect of, among others, (i) the implementation of cost control measures to reduce administrative expenses; and (ii) the decrease in finance costs due to the decline in Hong Kong Interbank Offered Rate.

MARKET INFORMATION

During the Period, revenue from the PRC, Hong Kong and other Asian countries comprised of approximately 94.9% (Corresponding Period: approximately 95.2%) of the total revenue and the remaining 5.1% (Corresponding Period: approximately 4.8%) shared between the United States of America and other countries.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, the Group had bank balances and cash amounted to approximately HKD417.5 million (31 December 2025: approximately HKD85.6 million). The Group was offered banking facilities amounted to approximately HKD1,919.5 million (31 December 2025: approximately HKD1,544.9 million).

As at 30 June 2026, the Group's bank borrowings amounted to approximately HKD1,460.9 million (31 December 2025: approximately HKD1,160.1 million). The Group had variable interest-rate bank borrowings carried at interest rates from approximately 1.92% to 5.50% (Corresponding Period: approximately 1.79% to 6.81%) per annum. The Group's gearing ratio, expressed as a percentage of the total outstanding net debt (being the total bank borrowings less bank balances and cash) to total equity, was approximately 43.2% (31 December 2025: approximately 45.5%). Bank borrowings of approximately HKD500.9 million (31 December 2025: approximately HKD734.8 million) must be repaid within one year, while the remaining balance must be repaid from two to seventeen years.

As at 30 June 2026, the Group's current assets and current liabilities were approximately HKD1,645.6 million (31 December 2025: approximately HKD1,373.1 million) and HKD949.3 million (31 December 2025: approximately HKD1,227.8 million) respectively. Accordingly, the Group's current ratio that expressed as the ratio of the current assets to current liabilities was approximately 1.73 as at 30 June 2026 (31 December 2025: approximately 1.12).

PLEDGE OF ASSETS

As at 30 June 2026, the Group had pledged (i) certain of its leasehold land and buildings, outlet mall buildings, investment properties, right-of-use assets and assets classified as held for sale, with the respective carrying amounts of approximately HKD206.1 million, HKD1,566.7 million, HKD516.4 million, HKD414.3 million and HKD735.0 million (31 December 2025: approximately HKD211.0 million, HKD1,534.2 million, HKD497.3 million, HKD405.5 million and HKD715.0 million); (ii) shares of certain of the Company's subsidiaries; (iii) corporate guarantees provided by the Company and certain of its subsidiaries and a related party; (iv) personal guarantees provided by certain directors of the Company and its subsidiaries; and (v) certain properties owned by the directors of the Company and by a director of its subsidiary, to secure the banking facilities offered to the Group.

CAPITAL COMMITMENTS

As at 30 June 2026, the Group's capital commitment was approximately HKD4.5 million in respect of the construction costs of outlet mall buildings located in Shenyang of the PRC (31 December 2025: approximately HKD5.7 million).

Save as disclosed above, the Group had no other material capital commitments as at 30 June 2026.

CAPITAL EXPENDITURE

Capital expenditure, which includes purchases of property, plant and equipment and construction costs of outlet mall buildings located in Shenyang of the PRC, was approximately HKD1.6 million for the Period (Corresponding Period: approximately HKD3.1 million).

Management Discussion and Analysis

CONTINGENT LIABILITIES

Details of potential tax liabilities in connection with the potential tax penalty arising from the late filing of the PRC tax returns for reporting the PRC Enterprise Income Tax to the PRC tax authority are disclosed in Note 8 to the Interim Condensed Consolidated Financial Statements.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group's total number of employees was 240 (30 June 2025: 249). Employees' costs (excluding Directors' emoluments) amounted to approximately HKD25.9 million (Corresponding Period: approximately HKD27.1 million).

In addition to competitive remuneration packages, discretionary bonus and employee share options are offered to the Group's eligible staff based on their performance and individual merits. The Group also provides other benefits including insurance, medical scheme and retirement plans to its employees.

TREASURY POLICY

Several principal subsidiaries of the Group are exposed to foreign currency risk primarily through sales and purchases which give rise to monetary assets and monetary liabilities that are denominated in Renminbi and United States Dollars. During the Period, the Group did not enter into any financial derivatives for hedging purpose. Nevertheless, the management monitors the Group's foreign exchange exposure from time to time. Appropriate measures would be undertaken by the management when the exchange rate fluctuations become significant.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Period (Corresponding Period: Nil).

MATERIAL ACQUISITION, DISPOSAL, SIGNIFICANT INVESTMENTS AND FUTURE PLANS OF MATERIAL INVESTMENT

The Group had no material acquisitions, disposals, significant investments and future plans of material investment during the Period.

EVENTS AFTER THE REPORTING PERIOD

There was no significant event affecting the Group that had occurred after 30 June 2026 and up to date of this report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, the interests and short positions of the Directors and chief executives and their associates of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong) (the "**SFO**")) which (a) were required to be 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 and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 (the "**Model Code**") of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") to be notified to the Company and the Stock Exchange were as follows:

Long positions in the ordinary shares of the Company

Director	Capacity/ Nature of interest	Number of ordinary shares held	Total number of ordinary shares held	Approximate percentage of the issued share capital
Cheng Tun Nei ("**Mr. Cheng**")	Beneficial owner Interest in a controlled corporation	179,320,000 1,136,790,000	1,316,110,000 *(Note 1)*	44.25%
Chan Kar Lee Gary	Beneficial owner	11,000,000	11,000,000	0.37%
Lee Cheung Ming ("**Mr. Lee**")	Beneficial owner Interest of spouse	71,050,000 2,000,000	73,050,000 *(Note 2)*	2.46%
Fung Kim Wan Ewim	Beneficial owner	57,040,000	57,040,000	1.92%
Shum Pui Kay	Beneficial owner	10,000,000	10,000,000	0.34%

Notes:

1. Mr. Cheng owned the entire issued share capital of Goldsilk Capital Limited ("**Goldsilk**"). As at 30 June 2026, Goldsilk was directly interested in 1,136,790,000 shares of the Company. Together with his direct interest as beneficial owner of 179,320,000 shares of the Company, Mr. Cheng was deemed to be interested in 1,316,110,000 shares of the Company in total.

2. As at 30 June 2026, Mr. Lee was directly interested in 71,050,000 shares of the Company and he was deemed to be interested in 2,000,000 shares of the Company held by his spouse. He was thus deemed to be interested in 73,050,000 shares of the Company in total.

Save as disclosed above, (1) none of the Directors or chief executives of the Company or their associates had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register which were required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code; and (2) none of the Directors of the Company or their spouses or children under the age of 18, had been granted any right to subscribe for the equity or debt securities of the Company or any of its associated corporations, or had exercised any such right during the six months ended 30 June 2026.

Other Information

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, the following persons had interests and short positions of 5% or more of the issued share capital and underlying shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Long positions in the ordinary shares of the Company

Shareholder	Capacity/ Nature of interest	Number of ordinary shares held	Total number of ordinary shares held	Approximate percentage of the issued share capital
Mr. Cheng	Beneficial owner Interest in a controlled corporation	179,320,000 1,136,790,000	1,316,110,000 *(Note 1)*	44.25%
Goldsilk	Beneficial owner	1,136,790,000	1,136,790,000 *(Note 1)*	38.22%
Or Ching Fai ("**Mr. Or**")	Beneficial owner Interest held jointly with another person	274,000,000 120,000,000	394,000,000 *(Note 2)*	13.25%
Wong Lai Ning ("**Madam Wong**")	Interest held jointly with another person Interest of spouse	120,000,000 274,000,000	394,000,000 *(Note 2)*	13.25%

Notes:

1. As at 30 June 2026, Goldsilk was directly interested in 1,136,790,000 shares of the Company and Goldsilk is wholly owned by Mr. Cheng. Together with his direct interest as beneficial owner of 179,320,000 shares of the Company, Mr. Cheng was thus deemed to be interested in 1,316,110,000 shares of the Company.

2. As at 30 June 2026, Mr. Or was directly interested in 274,000,000 shares of the Company and he also held 120,000,000 shares of the Company jointly with his spouse, Madam Wong. Therefore, Mr. Or and Madam Wong were deemed to be interested in 394,000,000 shares of the Company.

Save as disclosed above, no other parties were recorded in the register of the Company required to be kept under section 336 of the SFO as having interests or short positions in the shares or underlying shares of the Company as at 30 June 2026.

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

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

SHARE OPTION SCHEMES

A share option scheme (the "**2021 Scheme**") was adopted by the Company on 25 June 2021 to provide incentives and/or rewards to the participants, by way of granting options. On 23 June 2023, the 2021 Scheme was terminated and a new share option scheme (the "**2023 Scheme**") was adopted by the Company. The 2023 Scheme will remain in force for a period of 10 years commencing from the adoption date to give the participants with the opportunity to acquire proprietary interests in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and the shareholders as a whole. Under the 2023 Scheme, the Directors may at their discretion grant options to eligible participants to subscribe for shares in the Company.

During the Period and the Corresponding Period, no share option was granted, exercised, cancelled, or lapsed, and there was no outstanding share option under the 2021 Scheme and the 2023 Scheme. No option has been granted under the 2023 Scheme since its adoption.

The number of options available for grant under the Scheme Mandate Limit of the 2023 Scheme as at 1 January 2026 and 30 June 2026 were 297,422,523 and 297,422,523 respectively. The number of options available for grant under the Service Provider Sublimit of the 2023 Scheme as at 1 January 2026 and 30 June 2026 were 29,742,252 and 29,742,252 respectively.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 to the Listing Rules throughout the Period except for the following deviation:

– Under code provision C.2.1 of the CG Code, the roles of the Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. Mr. Cheng currently serves as both the Chairman and Chief Executive Officer of the Company. In view of the evolving business environment in which the Group operates, the Board is of the view that vesting the roles of both the Chairman and Chief Executive Officer of the Company on Mr. Cheng will provide the Group with strong and consistent leadership while enabling more effective and timely business planning and decision-making process.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company. Having made specific inquiries with all Directors, it is confirmed that all Directors have complied with the required standards set out in the Model Code throughout the Period.

The Company has also adopted a code on no less exacting terms than the Model Code to regulate dealings in the securities of the Company by certain employees of the Group who are considered to be likely in possession of inside information in relation to the Company or its securities.

REVIEW OF INTERIM RESULTS

The audit committee of the Company (the "**Audit Committee**") comprises three independent non-executive Directors, namely Ms. Ma Yin Fan (the chairlady of Audit Committee), Mr. Shum Pui Kay and Mr. Wah Wang Kei Jackie. The Audit Committee has reviewed with management the accounting policies and practices adopted by the Group and has discussed the review, internal controls and financial reporting matters including the review of the interim results announcement and the interim report of the Group for the Period.

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 HKD'000 (Unaudited)	2025 HKD'000 (Unaudited)
Revenue	4	**173,089**	148,229
Cost of sales		**(13,715)**	(7,562)
Gross profit		**159,374**	140,667
Other income and gains	5	**12,306**	35,724
Distribution and selling expenses		**(32,894)**	(29,726)
Administrative expenses		**(61,407)**	(69,427)
Depreciation and amortisation expenses		**(42,671)**	(41,611)
Finance costs	6	**(27,974)**	(39,687)
Other expenses		**(87)**	(270)
Reversal of impairment loss on financial assets		**90**	1,091
Share of results of joint ventures		**(1,030)**	(1,564)
Share of results of associates		**–**	(42)
Fair value loss on financial assets at fair value through profit or loss	16	**(3,883)**	(2,518)
Profit/(loss) before income tax expense	7	**1,824**	(7,363)
Income tax expense	8	**(12,102)**	(5,387)
Loss for the period		**(10,278)**	(12,750)
Loss for the period attributable to:			
Owners of the Company		**(9,980)**	(13,322)
Non-controlling interests		**(298)**	572
Loss for the period		**(10,278)**	(12,750)
Loss per share:			
Basic and diluted	10	**HK(0.34 cent)**	HK(0.45 cent)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Loss for the period	**(10,278)**	(12,750)
Other comprehensive income for the period, net of tax		
Items that may be reclassified subsequently to profit or loss:		
– Share of other comprehensive income of joint ventures	**758**	964
– Share of other comprehensive income of an associate	**–**	3
– Exchange differences arising on translation of foreign operations	**79,421**	57,612
Other comprehensive income for the period, net of tax	**80,179**	58,579
Total comprehensive income for the period	**69,901**	45,829
Total comprehensive income for the period attributable to:		
– Owners of the Company	**70,161**	45,405
– Non-controlling interests	**(260)**	424
	69,901	45,829

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Non-current assets			
Property, plant and equipment	11	**1,840,514**	1,815,025
Investment properties	11	**657,884**	633,451
Right-of-use assets	11	**415,061**	406,494
Intangible assets		**106,819**	107,818
Interests in joint ventures		**19,233**	19,505
Interests in associates		**6,535**	6,535
Goodwill		**141,401**	141,401
Deferred tax assets		**14,871**	16,187
Club debenture		**1,876**	1,876
Statutory deposits for financial services business		**200**	200
Total non-current assets		**3,204,394**	3,148,492
Current assets			
Inventories	12	**25,790**	30,939
Trade and other receivables	13	**127,160**	123,887
Amount due from a related party		**–**	102
Amount due from a director		**–**	3,113
Amounts due from joint ventures		**46,525**	43,589
Amount due from an associate		**654**	803
Advances to customers in margin financing	14	**96,147**	79,727
Loans receivable	15	**56,246**	53,496
Financial assets at fair value through profit or loss	16	**115,319**	119,202
Bank balances and cash – held on behalf of customers		**25,304**	117,598
Bank balances and cash		**417,457**	85,596
		910,602	658,052
Assets classified as held for sale	17	**734,999**	715,026
Total current assets		**1,645,601**	1,373,078

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Current liabilities			
Trade and other payables	18	**368,975**	462,292
Amount due to a related party		**116**	–
Amounts due to directors		**41,345**	6,797
Lease liabilities	19	**11,676**	12,746
Bank borrowings	20	**500,862**	734,824
Dividend payable		**14,871**	–
Tax payable		**11,487**	11,104
Total current liabilities		**949,332**	1,227,763
Net current assets		**696,269**	145,315
Total assets less current liabilities		**3,900,663**	3,293,807
Non-current liabilities			
Lease liabilities	19	**164,926**	157,346
Bank borrowings	20	**959,990**	425,321
Deferred tax liabilities		**358,372**	348,795
Total non-current liabilities		**1,483,288**	931,462
NET ASSETS		**2,417,375**	2,362,345
Equity			
Share capital	21	**297,422**	297,422
Reserves		**2,113,133**	2,057,843
Total equity attributable to owners of the Company		**2,410,555**	2,355,265
Non-controlling interests		**6,820**	7,080
TOTAL EQUITY		**2,417,375**	2,362,345

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the Company									
	Share capital HKD'000	Contributed surplus HKD'000	Share premium HKD'000	Properties revaluation reserve HKD'000	Translation reserve HKD'000	Other reserve HKD'000	Accumulated losses HKD'000	Subtotal HKD'000	Non-controlling interests HKD'000	Total HKD'000
Balance at 1 January 2025 (audited)	297,422	523,213	1,071,657	809,035	(240,576)	7,749	(155,484)	2,313,016	5,945	2,318,961
(Loss)/profit for the period	–	–	–	–	–	–	(13,322)	(13,322)	572	(12,750)
Share of other comprehensive income of joint ventures	–	–	–	–	964	–	–	964	–	964
Share of other comprehensive income of an associate	–	–	–	–	3	–	–	3	–	3
Exchange differences arising on translation of foreign operations	–	–	–	–	57,760	–	–	57,760	(148)	57,612
Other comprehensive income for the period, net of tax	–	–	–	–	58,727	–	–	58,727	(148)	58,579
Total comprehensive income for the period	–	–	–	–	58,727	–	(13,322)	45,405	424	45,829
Acquisition of further interests in a subsidiary	–	–	–	–	–	(8,688)	–	(8,688)	4,012	(4,676)
Dividend declared (Note 9)	–	–	–	–	–	–	(14,871)	(14,871)	–	(14,871)
Balance at 30 June 2025 (unaudited)	297,422	523,213	1,071,657	809,035	(181,849)	(939)	(183,677)	2,334,862	10,381	2,345,243

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the Company									
	Share capital HKD'000	Contributed surplus HKD'000	Share premium HKD'000	Properties revaluation reserve HKD'000	Translation reserve HKD'000	Other reserve HKD'000	Accumulated losses HKD'000	Subtotal HKD'000	Non-controlling interests HKD'000	Total HKD'000
Balance at 1 January 2026 (audited)	297,422	523,213	1,071,657	824,939	(157,727)	(939)	(203,300)	2,355,265	7,080	2,362,345
Loss for the period	–	–	–	–	–	–	(9,980)	(9,980)	(298)	(10,278)
Share of other comprehensive income of joint ventures	–	–	–	–	758	–	–	758	–	758
Exchange differences arising on translation of foreign operations	–	–	–	–	79,383	–	–	79,383	38	79,421
Other comprehensive income for the period, net of tax	–	–	–	–	80,141	–	–	80,141	38	80,179
Total comprehensive income for the period	–	–	–	–	80,141	–	(9,980)	70,161	(260)	69,901
Dividend declared (Note 9)	–	–	–	–	–	–	(14,871)	(14,871)	–	(14,871)
Balance at 30 June 2026 (unaudited)	297,422	523,213	1,071,657	824,939	(77,586)	(939)	(228,151)	2,410,555	6,820	2,417,375

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Profit/(loss) before income tax expense	**1,824**	(7,363)
Adjustments for:		
Interest income	**(1,658)**	(1,758)
Dividend income from financial assets at fair value through profit or loss	**–**	(296)
Finance costs	**27,974**	39,687
Share of results of joint ventures	**1,030**	1,564
Share of results of associates	**–**	42
Depreciation of property, plant and equipment	**34,382**	33,454
Depreciation of right-of-use assets	**7,286**	7,153
Amortisation of intangible assets	**1,003**	1,003
Write off of property, plant and equipment	**10**	5
Fair value loss on financial assets at fair value through profit or loss	**3,883**	2,518
Reversal of impairment loss on financial assets	**(90)**	(1,091)
Gain on deregistration of subsidiaries	**–**	(19,249)
(Reversal)/provision of allowance of inventories	**(1,641)**	170
Operating cash flows before movements in working capital	**74,003**	55,839
Decrease in inventories	**7,472**	1,626
Increase in trade and other receivables	**(41)**	(4,494)
(Increase)/decrease in advances to customers in margin financing	**(16,420)**	2,953
Increase in loans receivable	**(2,750)**	(3,829)
Increase in financial assets at fair value through profit or loss	**–**	(1,113)
Decrease in bank balances and cash – held on behalf of customers	**92,294**	1,424
Decrease in trade and other payables	**(96,236)**	(14,370)
Cash generated from operations	**58,322**	38,036
Hong Kong Profits Tax refunded	**89**	–
PRC Enterprise Income Tax paid	**(10,516)**	(4,591)
Other jurisdictions tax paid	**(31)**	(4)
Net cash from operating activities	**47,864**	33,441

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Cash flows from investing activities		
Repayment from a related party	**218**	–
Repayment from a director	**3,113**	–
Repayment from an associate	**53**	717
Purchases of property, plant and equipment	**(1,586)**	(769)
Proceeds from disposals of property, plant and equipment	**–**	13
Purchases of intangible assets	**(4)**	(234)
Dividend income from financial assets at fair value through profit or loss	**–**	296
Interest received	**119**	319
Net cash from investing activities	**1,913**	342
Cash flows from financing activities		
Acquisition of further interests in a subsidiary	**–**	(4,676)
Advance from/(repayments to) directors	**41,024**	(476)
Proceeds from bank borrowings	**369,046**	178,653
Repayments of bank borrowings	**(87,526)**	(182,148)
Repayments of lease liabilities	**(5,949)**	(3,882)
Interest paid	**(36,144)**	(26,492)
Net cash from/(used in) financing activities	**280,451**	(39,021)
Net increase/(decrease) in cash and cash equivalents	**330,228**	(5,238)
Cash and cash equivalents at the beginning of the period	**85,596**	77,239
Effect of foreign exchange rate changes on cash and cash equivalents	**1,633**	(6,163)
Cash and cash equivalents at the end of the period	**417,457**	65,838

Notes to the Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

1. GENERAL INFORMATION

Symphony Holdings Limited (the "**Company**") was incorporated in Bermuda on 24 November 1993 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended) and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 1 March 1995. Its ultimate controlling party is Mr. Cheng Tun Nei, who is the chairman, chief executive officer and an executive director of the Company. The addresses of the Company's registered office is Richmond House, 12 Par-la-Ville Road, Hamilton HM08, Bermuda and its principal place of business is 10th Floor, Island Place Tower, 510 King's Road, North Point, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the "**Group**") are mainly consisted of:

– Branding: (i) development and management of "SKINS" trademarks; (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong; and (iii) manufacturing and distribution of Japanese sake;

– Retailing: (i) management and operation of outlet and community malls; and (ii) property investment and holding; and

– Financial services: provisions of securities brokerage, margin financing, money lending and financial consultancy services.

2. BASIS OF PREPARATION

These interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("**HKAS 34**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

These interim condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements (the "**2025 Annual Financial Statements**"), except for those that relate to amendments to HKFRS Accounting Standards effective for the first time for the annual periods beginning on or after 1 January 2026 and expect to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 3 to the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements are presented in Hong Kong Dollars ("**HKD**"), unless otherwise stated. The interim condensed consolidated financial statements contain the condensed consolidated statement of financial position as at 30 June 2026, and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes to the interim condensed consolidated financial statements. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 Annual Financial Statements. The interim condensed consolidated financial statements and notes thereon do not include all of the information required for a complete set of financial statements prepared in accordance with the HKFRS Accounting Standards and should be read in conjunction with the 2025 Annual Financial Statements.

3. CHANGES IN ACCOUNTING POLICIES

(a) Adoption of amendments to HKFRS Accounting Standards – effective 1 January 2026

The Group has adopted the following amendments to HKFRS Accounting Standards, which included Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the HKICPA relevant to the Group's accounting policies and business operations adopted for the first time prepared and presented on the Group's interim condensed consolidated financial statements for the annual periods beginning on or after 1 January 2026:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – Dependent Electricity
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11

The application of the amendments to HKFRS Accounting Standards in the current period has no material impact on the Group's performance and financial positions for the current and prior periods and/or on the disclosures set out in the interim condensed consolidated financial statements.

(b) New and amendments to HKFRS Accounting Standards that have been issued but are not yet effective

The following new and amendments to HKFRS Accounting Standards, potentially relevant to the Group's accounting policies and business operations, have been issued, but are not yet effective, and have not been early adopted by the Group:

HKFRS 18	Presentation and Disclosure in Financial Statements[1]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures and related amendments[1]
HKFRS 20	Regulatory Assets and Regulatory Liabilities[2]
Amendments to HKAS 21	Translation to Hyperinflationary Presentation Currency[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HK Int 5	Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment of Demand Clause[1]

1 Effective for the annual period beginning on or after 1 January 2027
2 Effective for the annual period beginning on or after 1 January 2029
3 Effective for the annual period beginning on or after a date to be determined

Except as described below, the Directors of the Company (the "**Directors**") do not anticipate that the adoption of these new and amendments to HKFRS Accounting Standards that have been issued but not yet effective will have any material impact on the interim condensed consolidated financial statements.

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

(b) New and amendments to HKFRS Accounting Standards that have been issued but are not yet effective *(Continued)*

HKFRS 18 "Presentation and Disclosure in Financial Statements"

The new standard was issued by the HKICPA in July 2024 supersedes HKAS 1 and will result in major consequential amendments to HKFRS Accounting Standards including HKAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though HKFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4. SEGMENT INFORMATION

In accordance with the Group's internal financial reporting process to both Directors and key management personnel of the Company, the Group's operating segments are broadly classified into different reportable segments based on the categories of products or services provided in different geographical locations with reference to the requirements under HKFRS 8 "Operating Segments" ("**HKFRS 8**").

The classification of reportable segments is determined by both Directors and key management personnel of the Company to monitor the results individually for the purpose of making decisions of resources allocation and performance assessment of the reportable segments. Financial information of the reportable segments is disaggregated into segment revenue and results, segment assets and segment liabilities, which is regularly provided to both Directors and key management personnel of the Company to serve the above purpose.

A summary of the reportable segments under HKFRS 8 is classified as follows:

– Branding: (i) development and management of "SKINS" trademarks; (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong; and (iii) manufacturing and distribution of Japanese sake;

– Retailing: (i) management and operation of outlet and community malls; and (ii) property investment and holding; and

– Financial services: provisions of securities brokerage, margin financing, money lending and financial consultancy services.

4. SEGMENT INFORMATION *(Continued)*

(A) Segment revenue and results (business segments)

The following table provides an analysis of the reportable segment revenue and reportable segment results of different reportable segments recognised during the period:

For the six months ended 30 June 2026 (Unaudited)

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Inter-segment elimination HKD'000	Consolidated HKD'000
Revenue from external customers	30,022	135,724	7,343	–	173,089
Inter-segment revenue*	9	2,537	–	(2,546)	–
Reportable segment revenue	30,031	138,261	7,343	(2,546)	173,089
Reportable segment (loss)/profit	(1,722)	26,413	(2,433)	–	22,258
Reconciliation:					
Interest income					1,658
Central administrative expenses					(21,062)
Share of results of joint ventures					(1,030)
Share of results of associates					–
Profit before income tax expense					1,824

4. SEGMENT INFORMATION *(Continued)*

(A) Segment revenue and results (business segments) *(Continued)*

For the six months ended 30 June 2025 (Unaudited)

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Inter-segment elimination HKD'000	Consolidated HKD'000
Revenue from external customers	20,166	119,793	8,270	–	148,229
Inter-segment revenue*	1	2,718	–	(2,719)	–
Reportable segment revenue	20,167	122,511	8,270	(2,719)	148,229
Reportable segment (loss)/profit	(2,503)	11,317	(1,863)	–	6,951
Reconciliation:					
Interest income					(1,758)
Central administrative expenses					(10,950)
Share of results of joint ventures					(1,564)
Share of results of associates					(42)
Loss before income tax expense					(7,363)

* Inter-segment revenue transactions are priced with reference to prices charged to external parties for similar orders based on similar terms and conditions of sales agreements entered.

4. SEGMENT INFORMATION *(Continued)*

(B) Segment revenue and results (disaggregation of revenue)

The following table provides an analysis of the reportable segment revenue recognised during the period is disaggregated by primary geographical markets, major products and services lines and timing of revenue recognition. The following table also includes a reconciliation of disaggregated revenue of different reportable segments recognised during the period, mainly into two categories: (i) revenue from contracts with customers within the scope of HKFRS 15 "Revenue from Contracts with Customers" ("**HKFRS 15**"); and (ii) revenue from other sources not within the scope of HKFRS 15:

For the six months ended 30 June 2026 (Unaudited)

Revenue from contracts with customers within the scope of HKFRS 15

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
Primary geographical markets:				
The People's Republic of China (the "**PRC**")	9,236	108,237	–	117,473
Hong Kong (Place of domicile)	9,240	–	3,244	12,484
United States of America	1,219	–	–	1,219
Other Asian countries *(Note)*	2,652	–	–	2,652
Others *(Note)*	7,675	–	–	7,675
Total	30,022	108,237	3,244	141,503
Major products and services:				
Sales of goods	25,793	–	–	25,793
Commission income from concessionaire sales	–	107,934	–	107,934
Royalty income	4,229	–	–	4,229
Securities brokerage commission	–	–	1,250	1,250
Financial consultancy income	–	–	1,994	1,994
Other services income	–	303	–	303
Total	30,022	108,237	3,244	141,503

4. SEGMENT INFORMATION *(Continued)*

(B) Segment revenue and results (disaggregation of revenue) *(Continued)*

For the six months ended 30 June 2026 (Unaudited) *(Continued)*

Revenue from contracts with customers within the scope of HKFRS 15 (Continued)

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
Timing of revenue recognition:				
At a point in time	25,793	–	1,250	27,043
Transferred over time	4,229	108,237	1,994	114,460
Total	30,022	108,237	3,244	141,503

Revenue from other sources not within the scope of HKFRS 15

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
Primary geographical markets:				
The PRC	–	26,844	–	26,844
Hong Kong (Place of domicile)	–	643	4,099	4,742
Total	–	27,487	4,099	31,586
Major products and services:				
Rental income	–	27,487	–	27,487
Interest income	–	–	4,099	4,099
Total	–	27,487	4,099	31,586

4. SEGMENT INFORMATION *(Continued)*

(B) Segment revenue and results (disaggregation of revenue) *(Continued)*

For the six months ended 30 June 2025 (Unaudited)

Revenue from contracts with customers within the scope of HKFRS 15

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
Primary geographical markets:				
The PRC	495	94,825	–	95,320
Hong Kong (Place of domicile)	9,845	–	2,674	12,519
United States of America	1,806	–	–	1,806
Other Asian countries *(Note)*	2,740	–	–	2,740
Others *(Note)*	5,280	–	–	5,280
Total	20,166	94,825	2,674	117,665
Major products and services:				
Sales of goods	18,561	–	–	18,561
Commission income from concessionaire sales	–	94,468	–	94,468
Royalty income	1,605	–	–	1,605
Securities brokerage commission	–	–	706	706
Financial consultancy income	–	–	1,968	1,968
Other services income	–	357	–	357
Total	20,166	94,825	2,674	117,665

4. SEGMENT INFORMATION *(Continued)*

(B) Segment revenue and results (disaggregation of revenue) *(Continued)*

For the six months ended 30 June 2025 (Unaudited) *(Continued)*

Revenue from contracts with customers within the scope of HKFRS 15 (Continued)

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
Timing of revenue recognition:				
At a point in time	18,561	–	706	19,267
Transferred over time	1,605	94,825	1,968	98,398
Total	20,166	94,825	2,674	117,665

Revenue from other sources not within the scope of HKFRS 15

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
Primary geographical markets:				
The PRC	–	24,968	–	24,968
Hong Kong (Place of domicile)	–	–	5,596	5,596
Total	–	24,968	5,596	30,564
Major products and services:				
Rental income	–	24,968	–	24,968
Interest income	–	–	5,596	5,596
Total	–	24,968	5,596	30,564

Note: The geographical information for the revenue attributed to each country recognised during the period is not available as the associated costs to capture such information would be excessive.

4. SEGMENT INFORMATION *(Continued)*

(C) Segment assets

The following table provides an analysis of the reportable segment assets of different reportable segments recognised as at 30 June 2026 and 31 December 2025:

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Branding	**216,645**	216,746
Retailing	**3,051,722**	2,994,136
Financial services	**339,478**	418,356
Total reportable segment assets	**3,607,845**	3,629,238
Unallocated	**507,151**	177,306
Assets classified as held for sale	**734,999**	715,026
Consolidated total assets	**4,849,995**	4,521,570

(D) Segment liabilities

The following table provides an analysis of the reportable segment liabilities of different reportable segments recognised as at 30 June 2026 and 31 December 2025:

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Branding	**41,070**	43,010
Retailing	**477,580**	459,825
Financial services	**26,917**	129,539
Total reportable segment liabilities	**545,567**	632,374
Unallocated	**1,887,053**	1,526,851
Consolidated total liabilities	**2,432,620**	2,159,225

5. OTHER INCOME AND GAINS

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Interest income	**1,658**	1,758
Dividend income from financial assets at fair value through profit or loss	**–**	296
Government grants	**262**	4,130
Reimbursement income of operating outlet malls	**9,013**	8,059
Gain on deregistration of subsidiaries	**–**	19,249
Others	**1,373**	2,232
	12,306	35,724

6. FINANCE COSTS

An analysis of finance costs recognised during the period is as follows:

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Interest expenses on bank borrowings	**22,098**	32,222
Interest expenses on lease liabilities	**5,777**	6,098
Interest expenses on amounts due to directors	**99**	1,367
	27,974	39,687

7. PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE

Profit/(loss) before income tax expense during the period is arrived at after charging/(crediting) as follows:

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**34,382**	33,454
Depreciation of right-of-use assets	**7,286**	7,153
Amortisation of intangible assets	**1,003**	1,003
(Reversal)/provision of allowance of inventories	**(1,641)**	170
Write off of property, plant and equipment	**10**	5
Cost of inventories recognised as expenses	**13,715**	7,562
Foreign exchange losses, net	**812**	2,223
Short-term leases expenses	**998**	647
Directors' emoluments	**4,763**	3,815
Employees' costs (excluding Directors' emoluments)	**25,926**	27,149
Interest income	**(1,658)**	(1,758)
Fair value loss on financial assets at fair value through profit or loss	**3,883**	2,518
Reimbursement income of operating outlet malls	**(9,013)**	(8,059)

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Current tax:		
Hong Kong		
– Profits Tax		
– Provision for the period	**107**	201
– Over-provision in respect of prior periods	**–**	(119)
	107	82
The PRC		
– PRC Enterprise Income Tax		
– Provision for the period	**10,999**	4,471
– Over-provision in respect of prior periods	**(252)**	–
	10,747	4,471
Other jurisdictions		
– Over-provision in respect of prior periods	**–**	(30)
	10,854	4,523
Deferred tax:		
Hong Kong and the PRC		
– Profits Tax and PRC Enterprise Income Tax		
– Provision for the period	**1,248**	864
Income tax expense	**12,102**	5,387

8. INCOME TAX EXPENSE *(Continued)*

Hong Kong Profits Tax

The provision for Hong Kong Profits Tax was calculated by applying the statutory tax rate of 16.5% on the estimated taxable profits arising in Hong Kong for both current and prior periods. According to the definition of "connected entity" under the Two-tiered Profit Tax Regime, the management has elected one of the Company's subsidiaries to apply for the two-tiered profits tax rates to calculate the provision for Hong Kong Profits Tax for both current and prior periods in the following manner.

For this elected subsidiary, the first HKD2,000,000 of the estimated taxable profits arising in Hong Kong was taxed at 8.25% and the remaining estimated taxable profits was taxed at 16.5%. The provision for Hong Kong Profits Tax for this elected subsidiary was calculated on the same basis for the prior period.

PRC Enterprise Income Tax

All of the group entities operating in the PRC were calculated by applying the statutory tax rate of 25% on the estimated taxable profits arising in the PRC for both current and prior periods, except for one of the Company's subsidiaries incorporated in Hong Kong engaged in the property investment business in the PRC, which is subject to the withholding tax rate of 10% on its gross rental income, net of value-added tax, earned in the PRC for both current and prior periods, based on the existing tax legislation, interpretation and practices in respect thereof.

Up to date of approval and authorisation for issuance of these interim condensed consolidated financial statements, the above subsidiary engaged in the property investment business in the PRC has not filed any tax returns for reporting its PRC Enterprise Income Tax in respect of its rental income earned in the PRC. The PRC tax authority has the right to levy penalty for any late filing of tax returns. However, for all newly signed tenancy agreements between the Group and the tenants since the financial period of 2016, a new clause has been added in the agreements to require the tenants to pay the PRC Enterprise Income Tax based on 10% of its gross rental income, net of value-added tax, earned in the PRC on behalf of the Group, based on the existing tax legislation, interpretation and practices in respect thereof. According to the management experience and the above measures adopted, the amount of such potential penalty, if any, will not be material to these interim condensed consolidated financial statements. In addition, pursuant to the signed sales and purchase agreement in respect of the acquisition of the above subsidiary in the second half of the financial year of 2014, both of the vendor and the guarantor have undertaken to indemnify the Group for any tax liability arising from the late filing of tax returns prior to the completion date of the acquisition. As at 30 June 2026, no provision of potential tax penalty is made.

Foreign Tax

Taxation arising in other jurisdictions was calculated by applying the statutory tax rates that were expected to be applicable in the relevant jurisdictions, where those overseas subsidiaries operate, on the estimated taxable profits for both current and prior periods.

9. DIVIDENDS

For the six months ended 30 June 2026 and 2025, the board of directors has resolved not to declare any interim dividend to the shareholders of the Company (the "**Shareholders**").

The final dividend of HKD0.005 (six months ended 30 June 2025: HKD0.005) per ordinary share of the Company in respect of the financial year ended 31 December 2025 (six months ended 30 June 2025: 31 December 2024), in total of approximately HKD14,871,000 (six months ended 30 June 2025: HKD14,871,000), was declared and approved by the Shareholders at the annual general meeting of the Company held on 12 June 2026 (six months ended 30 June 2025: 20 June 2025) and will subsequently be paid in September 2026 (six months ended 30 June 2025: September 2025).

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Loss:		
Loss for the period attributable to owners of the Company	**(9,980)**	(13,322)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating the basic and diluted loss per share ('000)	**2,974,225**	2,974,225
	HK cent	HK cent
Loss per share:		
Basic and diluted	**(0.34)**	(0.45)

The Company did not have any dilutive potential ordinary shares for the six months ended 30 June 2026 and 2025. Accordingly, the diluted loss per share are the same as the basic loss per share.

11. PROPERTY, PLANT AND EQUIPMENT/INVESTMENT PROPERTIES/RIGHT-OF-USE ASSETS

Property, plant and equipment

The Group acquired property, plant and equipment with a total cost of approximately HKD1,586,000 during the period (six months ended 30 June 2025: HKD3,059,000).

The property, plant and equipment, with a net book value of approximately HKD10,000 (six months ended 30 June 2025: HKD5,000), was written off during the period.

As at 30 June 2026, certain of the properties located in Hong Kong and the PRC, with carrying amounts of approximately HKD1,772,834,000 (31 December 2025: HKD1,745,196,000), were pledged to banks to secure banking facilities granted to the Group.

Investment properties

As at 30 June 2026, certain of the properties (including investment properties classified as held for sale) located in Hong Kong and the PRC, with carrying amounts of approximately HKD1,251,391,000 (31 December 2025: HKD1,212,348,000), were pledged to banks to secure banking facilities granted to the Group.

Right-of-use assets

For the six months ended 30 June 2026, no significant tenancy agreement was entered, modified or cancelled by the Group. The depreciation of right-of-use assets recognised during the period was approximately HKD7,286,000 (six months ended 30 June 2025: HKD7,153,000).

As at 30 June 2026, certain of the right-of-use assets, with carrying amounts of approximately HKD414,306,000 (31 December 2025: HKD405,509,000), were pledged to banks to secure banking facilities granted to the Group.

12. INVENTORIES

For the six months ended 30 June 2026, a net reversal of allowance of inventories of approximately HKD1,641,000 (six months ended 30 June 2025: a net provision of allowance of inventories of approximately HKD170,000) was recognised in profit or loss during the period.

13. TRADE AND OTHER RECEIVABLES

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Trade receivables arising from:		
– Other than financial services segment	25,870	23,229
– Financial services segment	10,179	12,093
Total gross carrying amount	36,049	35,322
Less: Loss allowance	(5,405)	(6,035)
Total net carrying amount after loss allowance	30,644	29,287
Prepayments, deposits and other receivables:		
Total gross carrying amount	105,238	103,265
Less: Loss allowance	(8,722)	(8,665)
Total net carrying amount after loss allowance	96,516	94,600
Total trade and other receivables	127,160	123,887

Note: As at 30 June 2026, included in other receivables was consideration receivables for disposal of PONY trademark in prior years with gross carrying amount of approximately HKD19,605,000 (31 December 2025: HKD19,461,000) and the expected credit loss recognised was approximately HKD215,000 (31 December 2025: HKD215,000).

The following is an ageing analysis of trade receivables, net of loss allowance, which is presented based on the invoice date or transaction date, where applicable, at the end of reporting period:

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
0 to 30 days	18,135	19,589
31 to 60 days	1,414	1,297
61 to 90 days	213	413
Over 90 days	10,882	7,988
	30,644	29,287

14. ADVANCES TO CUSTOMERS IN MARGIN FINANCING

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Directors and their associates	27,295	26,096
Other margin clients	68,852	53,631
	96,147	79,727

As at 30 June 2026 and 31 December 2025, the carrying amount of advances to customers in margin financing arising from the margin financing business in Hong Kong was secured by listed equity securities, carried at average interest rates from Hong Kong Dollar Prime Rate ("**Prime Rate**") to Prime Rate plus 3% per annum and repayable on demand.

The amounts of credit facilities granted to the margin clients are determined by the discounted market value of listed equity securities accepted by the Group. The Group maintains a list of approved stocks for margin lending at certain specified loan-to-collateral ratios. Any excess in the ratios will trigger margin calls for the margin clients to settle the margin shortfalls.

As at 30 June 2026, the total undiscounted market value of listed equity securities pledged in respect of the margin lending to the margin clients was approximately HKD426,822,000 (31 December 2025: HKD388,234,000). According to the client account opening agreements signed between the Group and margin clients, the Group is allowed to dispose of the listed equity securities pledged by the margin clients to settle their outstanding loan balances due to the Group.

Based on the result of the ECL calculation, with reference to the discounted market value of listed equity securities, no provision of loss allowance was recognised for both current period and prior year given that no significant default events of failure to repay the margin calls from any margin clients and the discounted market value of listed equity securities pledged were sufficiently covered the outstanding loan balances as at 30 June 2026 and 31 December 2025.

No ageing analysis is disclosed for advances to customers in margin financing as, in the opinion of the Directors, an ageing analysis is not meaningful in the view of the business nature of margin financing. The maximum exposure of credit risk against the Group is the carrying amount at the end of reporting period.

15. LOANS RECEIVABLE

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Secured:		
Total gross carrying amount	62,286	59,536
Less: Loss allowance	(6,040)	(6,040)
	56,246	53,496

As at 30 June 2026 and 31 December 2025, the carrying amount of loans receivable arising from the money lending business in Hong Kong was secured by mortgages over the borrowers' properties in Hong Kong, carried at interest rates from 5% to 18% (31 December 2025: 5% to 18%) per annum and repayable within one year from the dates of advances to the borrowers or on demand.

Loans receivable with aggregate gross carrying amount of approximately HKD12,050,000 (31 December 2025: HKD9,300,000) was classified as stage 1 due to limited exposure of credit risk and there is no significant increase in credit risk since initial recognition and not credit-impaired at the end of reporting period. As at 30 June 2026, the provision for 12-month ECL for stage 1 loans receivable was approximately HKD342,000 (31 December 2025: HKD342,000)

Loans receivable with aggregate gross carrying amount of approximately HKD7,675,000 (31 December 2025: HKD7,675,000) was classified as stage 2 due to significant increase in credit risk since initial recognition but not deemed to be credit-impaired at the end of reporting period. As at 30 June 2026, the provision for lifetime ECL of loans receivable classified as stage 2 was approximately HKD1,803,000 (31 December 2025: HKD1,803,000).

Loans receivable with aggregate gross carrying amount of approximately HKD42,561,000 (31 December 2025: HKD42,561,0000) was classified as stage 3 due to significant increase in credit risk since initial recognition and credit-impaired at the end of reporting period. As at 30 June 2026, the provision for lifetime ECL of stage 3 loans receivable was approximately HKD3,895,000 (31 December 2025: HKD3,895,000).

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The financial assets at fair value through profit or loss represent investments in listed equity securities in Hong Kong classified as held for trading and an unlisted investment. Details of the fair value measurements of these assets are set out in Note 25 to the interim condensed consolidated financial statements.

Reconciliation of the opening and closing balance of financial assets at fair value through profit or loss is provided as follows:

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
At the beginning of the period	**119,202**	81,709
Additions	**–**	1,113
Fair value loss	**(3,883)**	(2,518)
At the end of the period	**115,319**	80,304

17. ASSETS CLASSIFIED AS HELD FOR SALE

	30.06.2026	31.12.2025
	HKD'000	HKD'000
	(Unaudited)	(Audited)
Investment properties		
Hong Kong *(Note (i))*	**208,000**	208,000
Beijing *(Note (ii))*	**526,999**	507,026
	734,999	715,026

Notes:

(i) As at 30 June 2026, the Group had committed a plan of disposal of an investment property in Hong Kong. As at 30 June 2026, the carrying value of the investment property was HKD208,000,000 (31 December 2025: HKD208,000,000). The Group had actively solicited but yet received reasonable offer. In response, the Group further reduced the price so that the investment property continued to be actively marketed at a price that was reasonable. As at 30 June 2026, the sales of the property was not yet completed and as a result, it remained presented as assets classified as held for sale in the interim condensed consolidated financial statements.

(ii) As at 30 June 2026, the Group had committed another plan of disposal of the investment property in Beijing with carrying value of HKD526,999,000 (31 December 2025: HKD507,026,000). The Group had actively solicited but yet received reasonable offer. In response, the Group further reduced the price so that the investment property continued to be actively marketed at a price that was reasonable. As at 30 June 2026, the sales of the property was not yet completed and as a result, it remained presented as assets classified as held for sale in the interim condensed consolidated financial statements.

18. TRADE AND OTHER PAYABLES

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Trade payables arising from:		
– Other than financial services segment	**172,930**	174,273
– Financial services segment	**25,387**	122,195
Total trade payables	**198,317**	296,468
Accruals, receipts in advance, temporary receipts and other payables	**170,658**	165,824
Total trade and other payables	**368,975**	462,292

The following is an ageing analysis of trade payables arising from other than financial services segment, which is presented based on the invoice date or transaction date, where applicable, at the end of reporting period:

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
0 to 30 days	**103,621**	99,057
31 to 60 days	**38,328**	72,220
61 to 90 days	**25,636**	2,885
Over 90 days	**5,345**	111
	172,930	174,273

No ageing analysis is disclosed for the trade payables arising from financial services segment, as in the opinion of the Directors, an ageing analysis is not meaningful in the view of the business nature of dealing in securities and margin financing.

19. LEASE LIABILITIES

For the six months ended 30 June 2026, the total cash outflows for leases was approximately HKD6,947,000 (six months ended 30 June 2025: HKD4,529,000), comprising the payments of principal and interest elements of lease liabilities of approximately HKD5,949,000 (six months ended 30 June 2025: HKD3,882,000) and the payments of short-term leases of approximately HKD998,000 (six months ended 30 June 2025: HKD647,000).

For the six months ended 30 June 2026, interest expenses on lease liabilities were approximately HKD5,777,000 (six months ended 30 June 2025: HKD6,098,000).

20. BANK BORROWINGS

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Current portion:		
Secured with variable interest-rate bank borrowings that are repayable:		
– within one year	500,862	734,824
Non-current portion:		
Secured with variable interest-rate bank borrowings that are repayable:		
– over one year but within two years	93,695	60,937
– over two years but within five years	453,383	211,831
– over five years	412,912	152,553
	959,990	425,321
Total bank borrowings	1,460,852	1,160,145

As at 30 June 2026, the Group had secured variable interest-rate bank borrowings, carried interest rates from approximately 1.92% to 5.50% (six months ended 30 June 2025: 1.79% to 6.81%) per annum. The weighted average effective interest rate charged during the period was approximately 3.96% (six months ended 30 June 2025: 3.47%) per annum.

21. SHARE CAPITAL

	Number of shares ('000)	Nominal value HKD'000
Authorised:		
Ordinary shares of HKD0.10 (31 December 2025: HKD0.10) each:		
At 1 January 2025 (audited) and 31 December 2025 (audited), and 1 January 2026 (audited) and 30 June 2026 (unaudited)	20,000,000	2,000,000
Issued and fully paid: *(Note)*		
Ordinary shares of HKD0.10 (31 December 2025: HKD0.10) each:		
At 1 January 2025 (audited) and 31 December 2025 (audited), and 1 January 2026 (audited) and 30 June 2026 (unaudited)	2,974,225	297,422

Note: All of the ordinary shares issued by the Company and credited as fully paid ranked *pari passu* with the issued ordinary shares of the Company in all respects, except for those not entitled to any distribution of dividend.

22. CAPITAL COMMITMENTS

As at 30 June 2026 and 31 December 2025, the Group had the following material contractual capital commitments not provided for in the interim condensed consolidated financial statements:

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Contracted but not provided:		
– Construction costs of outlet mall buildings located in Shenyang, the PRC	4,453	5,739

23. RELATED PARTY DISCLOSURES

(A) Related party transactions

During the period, the Group entered into the following transactions with the related parties:

(a) Mr. Cheng Tun Nei and his associates

	Six months ended 30 June	
	2026 HKD'000 (Unaudited)	2025 HKD'000 (Unaudited)
Commission income from securities brokerage	–	11
Interest income from margin financing	597	599
Motor vehicle expenses	39	39
Total amount of margin financing facilities granted	15,000	17,000
Maximum outstanding balance of margin loans issued	14,313	14,730

(b) Mr. Lee Cheung Ming

	Six months ended 30 June	
	2026 HKD'000 (Unaudited)	2025 HKD'000 (Unaudited)
Interest income from margin financing	541	503
Total amount of margin financing facilities granted	15,000	15,000
Maximum outstanding balance of margin loans issued	12,982	12,063

23. RELATED PARTY DISCLOSURES *(Continued)*

(A) Related party transactions *(Continued)*

(c) Other related parties

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Interest income from a joint venture	**847**	810
Sales of goods to an associate	**1,644**	–

(B) Key management personnel's emoluments

The compensation of key management personnel including the emoluments paid or payable to the Directors and the members of senior management of the Group during the period are as follows:

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Salaries, welfare and other expenses	**9,885**	9,993
Contributions to defined contribution retirement plans	**133**	110
	10,018	10,103

24. CONTINGENT ASSETS AND LIABILITIES

Except for the potential tax liabilities with respect to the potential tax penalty arising from the late filing of the PRC tax returns for reporting the PRC Enterprise Income Tax to the PRC tax authority as disclosed in Note 8 to the interim condensed consolidated financial statements, the Group had no other contingent assets or liabilities required to be recognised or disclosed in the interim condensed consolidated financial statements as at 30 June 2026 and 31 December 2025.

25. FINANCIAL INSTRUMENTS

(A) Categories of financial instruments

The following table shows the carrying amounts and fair values of the financial instruments, comprised of the financial assets and financial liabilities, as at 30 June 2026 and 31 December 2025:

	30.06.2026 (Unaudited)		31.12.2025 (Audited)	
	Carrying amount HKD'000	Fair value HKD'000	Carrying amount HKD'000	Fair value HKD'000
Financial assets:				
At fair value through profit or loss:				
– Listed equity securities in Hong Kong	23,823	23,823	17,137	17,137
– Unlisted investment	91,496	91,496	102,065	102,065
At amortised cost:				
– Trade and other receivables	112,817	*(Note)*	109,132	*(Note)*
– Amount due from a related party	–	–	102	*(Note)*
– Amount due from a director	–	–	3,113	*(Note)*
– Amounts due from joint ventures	46,525	*(Note)*	43,589	*(Note)*
– Amount due from an associate	654	*(Note)*	803	*(Note)*
– Advances to customers in margin financing	96,147	*(Note)*	79,727	*(Note)*
– Loans receivable	56,246	*(Note)*	53,496	*(Note)*
– Bank balances and cash	417,457	*(Note)*	85,596	*(Note)*
Financial liabilities:				
At amortised cost:				
– Trade and other payables	361,759	*(Note)*	456,398	*(Note)*
– Amount due to a related party	116	*(Note)*	–	*(Note)*
– Amounts due to directors	41,345	*(Note)*	6,797	*(Note)*
– Dividend payable	14,871	*(Note)*	–	–
– Bank borrowings	1,460,852	*(Note)*	1,160,145	*(Note)*
Financial instrument:				
– Lease liabilities	176,602	*(Note)*	170,092	*(Note)*

Note: The Directors consider the carrying amounts of the financial instruments measured at amortised cost were approximate to their fair values on the grounds that either of their maturity periods are short or their effective interest rates for interest-bearing financial instruments were approximate to the relevant discount rates used to reflect the credit risk of the borrowers or the Group as at 30 June 2026 and 31 December 2025.

25. FINANCIAL INSTRUMENTS *(Continued)*

(B) Fair value measurements

The following table presents the fair value of the Group's financial instruments measured at the end of reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 "Fair Value Measurement". The level into which a fair value measurement is classified and determined with reference to the observability and significance of the key inputs used in the respective valuation techniques by the Group as follows:

- Level 1 valuation: Fair value measured using only Level 1 key inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

- Level 2 valuation: Fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

- Level 3 valuation: Fair value measured using significant unobservable inputs.

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period when they occur.

The Group's management is responsible for performing the fair value measurements of financial instruments, mainly including the listed equity securities in Hong Kong and the unlisted investment at the end of each reporting period. The Group's management reports directly to the Directors. Detailed calculations with analysis of changes in fair value measurements is prepared by the Group's management, and is reviewed and approved by the Directors. Discussion of valuation process and results with the Directors is regularly performed to coincide with the reporting dates.

The following table provides an analysis of financial instruments measured at fair value:

	30.06.2026 HKD'000 (Unaudited)	31.12.2025 HKD'000 (Audited)
Level 1:		
– Listed equity securities in Hong Kong	**23,823**	17,137
Level 3:		
– Unlisted investment	**91,496**	102,065

For the six months ended 30 June 2026 and 2025, there was no significant change in the valuation technique, and no transfer between Level 1 and Level 2, or transfer into or out of Level 3. The Group's policy is to recognise such change in valuation technique and transfer between levels of fair value hierarchy when it occurs.

25. FINANCIAL INSTRUMENTS *(Continued)*

(B) Fair value measurements *(Continued)*

Information about Level 1 fair value measurements

For the listed equity securities in Hong Kong classified as Level 1, the Group's management uses the closing market prices of the identical securities as at 30 June 2026 and 31 December 2025 to perform the fair value measurement.

Information about Level 3 fair value measurements

In April 2018, the Group entered into an agreement with a third party investor for the purpose of forming two special purpose acquisition companies (the "**SPAC 1**" and "**SPAC 2**") by raising sizeable capital to acquire potential business targets through listing on NASDAQ. Up to date of approval and authorisation for issuance of these interim condensed consolidated financial statements, the SPAC 2 has not yet launched.

The fair value of the investment was previously determined by adjusting the closing market price with certain significant unobservable inputs, including risk-free rate and discount of lack of marketability ("**DLOM**") before the completion of the lock-up period. The fair value was negatively correlated to both risk-free rate and DLOM. After the lock-up period, the risk-free rate and DLOM inputs no longer exist. As at 30 June 2026 and 31 December 2025, the probability of default of this investment is considered to be minimal. The Group's management is estimated that with other variables held constant, an increase in probability of default in 5% would have decreased the fair value of investment by approximately HKD4,575,000 for the period ended 30 June 2026 (30 June 2025: decrease in fair value of approximately HKD3,450,000).

The reconciliation of the opening and closing balance of financial instruments classified as Level 3 is as follows:

	Six months ended 30 June	
	2026	2025
	HKD'000	HKD'000
	(Unaudited)	(Unaudited)
Unlisted investment:		
At the beginning of the period	**102,065**	69,107
Fair value loss	**(10,569)**	(100)
At the end of the period	**91,496**	69,007

26. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 28 August 2026.