



**SHUN HO PROPERTY
INVESTMENTS LIMITED**
順豪物業投資有限公司
(Stock Code: 219)

Interim Report 2025

CORPORATE INFORMATION

Executive Directors

Mr. William CHENG Kai Man (*Chairman*)
Mr. Albert HUI Wing Ho
Madam Kimmy LAU Kam May
Madam NG Yuet Ying

Non-executive Director

Madam Mabel LUI FUNG Mei Yee

Independent Non-executive Directors

Mr. CHAN Kim Fai
Mr. LAM Kwai Cheung
Mr. Warren LIU Yuk Cho

Company Secretary

Madam KOO Ching Fan

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor
35th Floor, One Pacific Place
88 Queensway
Hong Kong

Solicitor

Withers
30th Floor
United Centre
95 Queensway
Hong Kong

Principal Bankers

The Hongkong and Shanghai Banking
Corporation Limited
Bank of China (Hong Kong) Limited

Registered Office

3rd Floor, Shun Ho Tower
24-30 Ice House Street
Central, Hong Kong

Share Registrar

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong
Tel: 2980 1333

Company's Website

www.shunho.com.hk

INTERIM RESULTS

The board (the “Board”) of directors (the “Director(s)”) of Shun Ho Property Investments Limited (the “Company”) (together with its subsidiaries, the “Group”) announces that the net profit after tax attributable to owners of the Company before revaluation and depreciation of land, property and equipment for the six months ended 30th June, 2025 was HK\$79 million (six months ended 30th June, 2024: HK\$61 million), increased by HK\$18 million (+29%).

INTERIM DIVIDEND

In deciding whether to distribute the interim dividend and its amount, the Board has reviewed the Company’s adopted dividend policy and does not recommend the payment of interim dividend for the six months ended 30th June, 2025 (six months ended 30th June, 2024: Nil) for the following reasons:

- i) secure more cashflow under the current challenging economy and unstable hotel market condition with high operating costs and interest costs;
- ii) retain cash to further reduce bank debt and shareholder loan; and
- iii) no cash dividend income received from Magnificent Hotel Investments Limited (“Magnificent Hotel”) due to Magnificent Hotel retaining cash for renovation of Wood Street Hotel in London.

MANAGEMENT DISCUSSION AND ANALYSIS

During the period, the Group continued with its commercial property investment, property leasing and property development, and through its major subsidiaries continued with the hotel investments and hotel management.

The net profit after tax attributable to owners of the Company before revaluation and depreciation of land, property and equipment for the six months ended 30th June, 2025 was HK\$78.7 million (six months ended 30th June, 2024: HK\$60.9 million), increased by HK\$18 million (+29%).

	Six months ended		
	30.6.2025	30.6.2024	Change
	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	
Profit (loss) from operation of hotels	9,353	(1,066)	N/A
Loss from property investment	(90,487)	(34,276)	+164%
– Profit	64,313	57,956	
– Revaluation loss	(154,800)	(92,232)	
Income from securities investments	25	–	N/A
Other income and expenses and gains and losses	2,416	1,279	+89%
	(78,693)	(34,063)	+131%
Administrative expenses	(30,223)	(30,573)	-1%
Finance costs	(23,855)	(31,732)	-25%
Income tax expense	(12,484)	(7,685)	+62%
Loss after taxation	(145,255)	(104,053)	+40%
Non-controlling interests	7,080	11,216	-37%
Loss after taxation and non-controlling interests	(138,175)	(92,837)	+49%
Add: Revaluation loss	153,355	90,787	+69%
Add: Depreciation of land, property and equipment	63,486	62,914	+1%
Net profit after tax attributable to owners of the Company before revaluation and depreciation of land, property and equipment	78,666	60,864	+29%

The overall increase in profit for the six months ended 30th June, 2025 was mainly due to increase in revenue by 5% and decrease in hotel operating costs and finance costs.

PERFORMANCE

1. Hotel Business

The income from hotel operations of the Group amounted to HK\$268 million (six months ended 30th June, 2024: HK\$260 million), increased by 3%.

The Group owns 71.09% of Magnificent Hotel (together with its subsidiaries, “Magnificent Hotel Group”) as its hotel investment subsidiary. The Group and Magnificent Hotel Group presently own nine hotels, including: (1) Ramada Hong Kong Grand View, (2) Ramada Hong Kong Harbour View, (3) Best Western Plus Hotel Kowloon, (4) Best Western Plus Hotel Hong Kong, (5) Ramada Hong Kong Grand, (6) Best Western Hotel Causeway Bay, (7) Grand Bay View Hotel, (8) Magnificent International Hotel, Shanghai and (9) Royal Scot Hotel in London. The nine hotels have about 3,042 guest rooms and the Group is one of the largest hotel groups in Hong Kong.

The net profit after tax attributable to owners of Magnificent Hotel before revaluation and depreciation of land, property and equipment for the six months ended 30th June, 2025 was HK\$59.3 million (six months ended 30th June, 2024: HK\$41.6 million), increased by HK\$17.7 million (+43%).

	Six months ended		
	30.6.2025	30.6.2024	
	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	Change
Profit from operation of hotels	8,631	712	+1,112%
Profit from property investment	20,380	14,010	+45%
Income from securities investments	25	–	N/A
Other income and gain and losses	<u>1,615</u>	<u>2,182</u>	-26%
	30,651	16,904	+81%
Administrative expenses	(22,205)	(23,159)	-4%
Finance costs	(17,177)	(23,228)	-26%
Income tax expense	<u>(6,654)</u>	<u>(3,063)</u>	+117%
Loss after taxation	(15,385)	(32,546)	-53%
Non-controlling interests	<u>187</u>	<u>186</u>	+1%
Loss after taxation and non-controlling interests	(15,198)	(32,360)	-53%
Add: Revaluation loss	5,000	5,000	–
Add: Properties depreciation and release of prepaid lease payments for land	<u>69,493</u>	<u>68,922</u>	+1%
Net profit after tax attributable to owners of the Company before revaluation and depreciation of land, property and equipment	<u>59,295</u>	<u>41,562</u>	+43%

The overall increase in profit for the Magnificent Hotel Group for the six months ended 30th June, 2025 was mainly due to increase in revenue by 5% and decrease in hotel operating costs and finance costs.

During the period, the total income for the Magnificent Hotel Group increased by 5% from approximately HK\$246 million to approximately HK\$258 million compared with last period.

As at 30th June, 2025, an independent third-party valuation of Royal Scot Hotel, London was GBP88,500,000 (as at 31st December, 2024: GBP88,500,000). The rental income of Royal Scot Hotel, London for the period was GBP2,362,000 (six months ended 30th June, 2024: GBP1,768,000). The management succeeded in increasing the annual rental by 34% from GBP3,546,000 to GBP4,737,000.

2. Commercial Properties Rental Income

The commercial properties rental income was derived from the hotel property in UK, Royal Scot Hotel in London, office buildings of Shun Ho Tower, 633 King's Road and shops from Best Western Plus Hotel Kowloon, Best Western Plus Hotel Hong Kong and Ramada Hong Kong Grand, amounting to HK\$66 million (six months ended 30th June, 2024: HK\$60 million).

As at 30th June, 2025, the occupancy rates of the Hong Kong commercial properties of the Group are as follows:

Shun Ho Tower	91%
633 King's Road	77%

During the period, the **ADMINISTRATIVE EXPENSES** excluding depreciation was HK\$28.1 million (six months ended 30th June, 2024: HK\$28.5 million).

LIQUIDITY

As at 30th June, 2025, the **OVERALL DEBTS** of the Group including Magnificent Hotel and its subsidiaries was HK\$909 million (31st December, 2024: HK\$1,016 million). The gearing ratio of the Group (including Magnificent Hotel and its subsidiaries) in terms of overall debts against funds employed was 11% (31st December, 2024: 12%).

The Group's bank borrowings carry interest at floating rates and are mainly denominated in Hong Kong dollar and Pound Sterling. Accordingly, the Group exposes to exchange risk and the management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

As at 30th June, 2025, the Group had a total number of 647 employees (31st December, 2024: 643 employees). Remuneration and benefit were set with reference to the market.

BUSINESS HIGHLIGHTS

During the six months ended 30th June, 2025, the number of overnight visitors in Hong Kong amounted to around 11.3 million (30th June, 2024: 10.6 million) and against 15 million in the same period in 2019 pre-pandemic year, among which 75% were mainland visitors and 25% were non-mainland visitors. Per-capita spending of mainland visitors remained low at HK\$5,100 as compared to HK\$6,000 in 2019 pre-pandemic year. The pace of recovery of the tourism industry continues to be affected by the more expensive HKD vs RMB and declining per-capita spending of mainland visitors.

Throughout the period, the Group achieved an average hotel occupancy rate of over 90%. Compared with last period, the hotel income of the Group increased by 3% to HK\$268 million and the total income of the Group increased by 5% to HK\$334 million.

The management succeeded in increasing the annual rental of Royal Scot Hotel, London by 34% from GBP3,546,000 to GBP4,737,000.

The Group acquired Wood Street Police Headquarter building in the centre of City of London for GBP40 million on 29th January, 2020 which has a gross internal area of 117,472 s.f. on a 20,000 s.f. island site and obtained planning consents approval to refurbish a deluxe hotel of about 216 guest rooms, restaurant, bar and facilities.

LOOKING AHEAD

The Group has nine income producing hotels, seven in Hong Kong, one in Shanghai, one in London, and the Wood Street Hotel refurbishment project in London.

With the weak economy of the PRC and the expensive HKD vs RMB, more PRC tourists choose to stay in the Greater Bay area and visit Hong Kong on day trips. However, the future prospect of further Multiple-entry Endorsement of other major PRC cities such as Beijing and Shanghai would be most encouraging.

Most of the tenants at the Group's 633 King's Road office building and Shun Ho Tower are multinational trading companies. Due to the US/China trade war and downturn of Hong Kong's import/export volumes, those trading company tenants are experiencing difficulties and therefore the occupancies are being affected.

Future prospects of the hotel business and rental incomes may continue to be challenging. The management will keep its effort to increase incomes and control costs.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30th June, 2025.

DIRECTORS' INTERESTS IN LISTED SECURITIES

As at 30th June, 2025, the interests or short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were required (a) to be entered in the register required to be kept by the Company under section 352 of the SFO; or (b) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) were as follows:

The Company

Name of director	Capacity	Nature of interests	Number of Shares/ underlying Shares held	Approximate % of shareholding
William Cheng Kai Man	Beneficial owner and interest of controlled corporations	Personal and corporate	385,395,999 (Note)	66.48

Note:

Omnico Company Inc. (“Omnico”), Mercury Fast Limited (“Mercury Fast”) and Trillion Resources Limited (a company incorporated in Hong Kong) (“Trillion Resources (HK)”) beneficially owned 281,904,489 shares of the Company (the “Shares”) (48.62%), 68,139,510 Shares (11.75%) and 33,642,000 Shares (5.80%) respectively. Mr. William Cheng Kai Man had controlling interests in these companies. In addition, Mr. William Cheng Kai Man beneficially owned 1,710,000 Shares (0.29%). All the above interests in the Shares are long position.

Associated Corporations

Name of director	Name of associated corporation	Capacity	Nature of interests	Number of Shares/ underlying Shares held	Approximate % of shareholding
William Cheng Kai Man	Magnificent Hotel (Note 1)	Interest of controlled corporations	Corporate	6,360,585,437	71.09
William Cheng Kai Man	Shun Ho Holdings Limited ("Shun Ho Holdings") (Note 2)	Beneficial owner and interest of controlled corporations	Personal and corporate	226,454,825	74.40
William Cheng Kai Man	Magnificent Assets Holdings Limited ("Magnificent Assets Holdings (BVI)") (Note 3)	Beneficial owner	Personal	2	100.00

Notes:

1. Magnificent Hotel, the Company's subsidiary, is a public limited company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange.
2. Shun Ho Holdings, the Company's holding company, is a public limited company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange.
3. Magnificent Assets Holdings (BVI), the Company's ultimate holding company, is a company incorporated in the British Virgin Islands.
4. All the above interests in the shares of the associated corporations are long position.

Save as disclosed above and save for shares in subsidiaries held by a director in trust for their immediate holding companies, as at 30th June, 2025, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be entered in the register required to be kept by the Company under Section 352 of the SFO; or (b) to be notified to the Company and the Stock Exchange pursuant to the Model Code and none of the directors or their associates or their spouse or children under the age of 18, had any right to subscribe for the securities of the Company or associated corporations, or had exercised any such right during the period.

SUBSTANTIAL SHAREHOLDERS

As at 30th June, 2025, the following persons (not being directors or chief executive of the Company) had interests in the Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of shareholder	Capacity	Number of Shares/ underlying Shares held	Approximate % of shareholding
Mercury Fast <i>(Note 1)</i>	Beneficial owner	68,139,510	11.75
Magnificent Hotel <i>(Note 1)</i>	Interest of controlled corporations	68,139,510	11.75
Omnico <i>(Note 2)</i>	Beneficial owner and interest of controlled corporations	350,043,999	60.38
Shun Ho Holdings <i>(Note 3)</i>	Interest of controlled corporations	383,685,999	66.18
Magnificent Assets Holdings (BVI) <i>(Note 3)</i>	Interest of controlled corporations	383,685,999	66.18
Trillion Resources (HK) <i>(Note 3)</i>	Beneficial owner	33,642,000	5.80
Liza Lee Pui Ling <i>(Note 4)</i>	Interest of spouse	385,395,999	66.48
Credit Suisse Trust Limited <i>(Note 5)</i>	Interest of controlled corporations	63,379,591	10.93
Hashim Majed Hashim A. <i>(Note 5)</i>	Interest of controlled corporations	63,379,591	10.93
North Salomon Limited <i>(Note 5)</i>	Interest of controlled corporations	63,379,591	10.93
Saray Capital Limited <i>(Note 5)</i>	Interest of controlled corporations	63,379,591	10.93
Saray Value Fund SPC <i>(Note 5)</i>	Beneficial owner and interest in persons acting in concert	63,379,591	10.93
Hashim Ahmed Hashim A. <i>(Note 5)</i>	Beneficial owner and interest in persons acting in concert	63,379,591	10.93
Shobokshi Hussam Ali H. <i>(Note 5)</i>	Interest of controlled corporations	63,379,591	10.93

Notes:

1. Mercury Fast was a wholly-owned subsidiary of Magnificent Hotel.
2. Omnico beneficially owned 281,904,489 Shares and was taken to be interested in 68,139,510 Shares held by Mercury Fast which was owned as to 100% by Magnificent Hotel, which was in turn owned as to 71.09% by the Group, the Company was in turn directly and indirectly owned as to 60.38% by Omnico.
3. Both Omnico and Trillion Resources (HK) were direct wholly-owned subsidiaries of Shun Ho Holdings, which was in turn directly and indirectly owned as to 71.20% by Magnificent Assets Holdings (BVI), which was in turn wholly-owned by Mr. William Cheng Kai Man. Since Trillion Resources (HK) beneficially owned 33,642,000 Shares (5.80%), Shun Ho Holdings and Magnificent Assets Holdings (BVI) were taken to be interested in 383,685,999 Shares (66.18%) by virtue of their direct or indirect interests in Omnico and Trillion Resources (HK).
4. Madam Liza Lee Pui Ling was deemed to be interested in 385,395,999 Shares (66.48%) by virtue of the interest in such Shares of her spouse, Mr. William Cheng Kai Man, a director of the Company.
5. Hashim Ahmed Hashim A. beneficially held 746,346 Shares. Saray Value Fund SPC (“Saray Value Fund”), a wholly-owned subsidiary of Saray Capital Limited, beneficially held 62,633,245 Shares. Saray Value SPV Asia I disposed of 746,346 Shares and ceased to be a concert party on 14th April, 2022. Since Hashim Ahmed Hashim A. and Saray Value Fund are concert parties to an agreement to buy shares under section 317 (1)(a) of the SFO, they are deemed to have interest in the Shares held by the other concert parties. Saray Capital Limited was held by Shobokshi Hussam Ali H. as to 26.76% and Hashim Majed Hashim A. as to 50%. Therefore, the total number of Shares in which Hashim Ahmed Hashim A., Saray Value Fund, Saray Capital Limited, Shobokshi Hussam Ali H. and Hashim Majed Hashim A. were interested under Sections 317 and 318 of the SFO was 63,379,591 Shares.

Saray Value Fund was held by North Salomon Limited as to 67.40%. North Salomon Limited was held by Credit Suisse Trust Limited as to 100%. Therefore, the total number of Shares in which North Salomon Limited and Credit Suisse Trust Limited were interested under Sections 317 and 318 of the SFO was 63,379,591 Shares (10.93%).

Save as disclosed above, there was no person, other than a director or chief executive of the Company, who has an interest or short position in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

INDEPENDENT REVIEW

The interim results for the six months ended 30th June, 2025 are unaudited, but have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants, by Deloitte Touche Tohmatsu, whose independent review report is included on pages 13 to 14 of this interim report. The interim results and the interim report 2025 have also been reviewed by the Group’s Audit Committee.

CORPORATE GOVERNANCE

(a) Compliance with the Corporate Governance Code

During the six months ended 30th June, 2025, the Company has complied with all applicable code provisions of the Corporate Governance Code set out in Appendix C1 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange with the exception of the following deviation:

Code Provision C.2.1: chairman and chief executive should not be performed by the same individual

The Company does not have separate appointments for the Chairman and the Chief Executive Officer. Mr. William Cheng Kai Man holds both positions. The Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same person enables the Company to have a stable and consistent leadership. It also facilitates planning and execution of the Company’s strategy and is hence, for the interests of the Company and its shareholders. It is also significantly cost-saving for Mr. Cheng, the Chairman to also serve as the Chief Executive Officer, which would have otherwise been recruited from the market at a heavy cost.

(b) Compliance with the Model Code

The Company has adopted the Model Code set out in Appendix C3 of the Listing Rules as the code of conduct regarding securities transactions by Directors. All Directors have confirmed, following specific enquiry by the Company, their compliance with the required standard set out in the Model Code throughout the period.

By Order of the Board

William CHENG Kai Man
Chairman

Hong Kong, 22nd August, 2025

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF SHUN HO PROPERTY INVESTMENTS LIMITED

順豪物業投資有限公司

(incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Shun Ho Property Investments Limited (the “Company”) and its subsidiaries set out on pages 15 to 38, which comprise the condensed consolidated statement of financial position as of 30th June, 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of total comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
22nd August, 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30TH JUNE, 2025

		Six months ended 30th June,	
	NOTES	2025	2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	3		
Contracts with customers		268,032	259,757
Leases		66,281	59,818
Dividend income		25	—
		<u>334,338</u>	<u>319,575</u>
Total revenue		334,338	319,575
Cost of sales		(2,234)	(1,750)
Other service costs		(176,964)	(180,129)
Depreciation of property, plant and equipment		(81,065)	(80,425)
Depreciation of right-of-use asset		<u>(384)</u>	<u>(381)</u>
Gross profit		73,691	56,890
Decrease in fair value of investment properties	10	(154,800)	(92,232)
Other income and expenses and gains and losses		2,416	1,279
Administrative expenses		(30,223)	(30,573)
– Depreciation		(2,127)	(2,033)
– Others		(28,096)	(28,540)
Finance costs	5	<u>(23,855)</u>	<u>(31,732)</u>
Loss before taxation		(132,771)	(96,368)
Income tax expense	6	<u>(12,484)</u>	<u>(7,685)</u>
Loss for the period	7	<u><u>(145,255)</u></u>	<u><u>(104,053)</u></u>
Loss for the period attributable to:			
Owners of the Company		(138,175)	(92,837)
Non-controlling interests		<u>(7,080)</u>	<u>(11,216)</u>
		<u><u>(145,255)</u></u>	<u><u>(104,053)</u></u>
		HK cents	HK cents
Loss per share	9		
Basic		<u><u>(27.01)</u></u>	<u><u>(18.15)</u></u>

CONDENSED CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30TH JUNE, 2025

	Six months ended 30th June,	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period	<u>(145,255)</u>	<u>(104,053)</u>
Other comprehensive income (expense)		
Item that will not be reclassified to profit or loss		
Fair value (loss) gain on investments in equity instruments at fair value through other comprehensive income ("FVTOCI")	(6,159)	455
Item that may be reclassified subsequently to profit or loss		
Exchange differences arising on translation of foreign operations	<u>121,222</u>	<u>(13,773)</u>
Other comprehensive income (expense) for the period	<u>115,063</u>	<u>(13,318)</u>
Total comprehensive expense for the period	<u><u>(30,192)</u></u>	<u><u>(117,371)</u></u>
Total comprehensive (expense) income attributable to:		
Owners of the Company	(56,378)	(102,306)
Non-controlling interests	<u>26,186</u>	<u>(15,065)</u>
	<u><u>(30,192)</u></u>	<u><u>(117,371)</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30TH JUNE, 2025

	NOTES	As at 30th June, 2025 HK\$'000 (Unaudited)	As at 31st December, 2024 HK\$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	4,585,743	4,619,901
Right-of-use asset		21,215	21,454
Investment properties	10	4,507,845	4,571,490
Equity instruments at FVTOCI	17	39,028	45,187
		<u>9,153,831</u>	<u>9,258,032</u>
CURRENT ASSETS			
Inventories		1,381	1,442
Trade and other receivables	11	12,760	15,197
Other deposits and prepayments		15,249	14,726
Bank balances and cash		198,476	234,982
		<u>227,866</u>	<u>266,347</u>
CURRENT LIABILITIES			
Trade and other payables and accruals	12	49,209	60,187
Rental and other deposits received		19,374	17,784
Contract liabilities		9,766	10,736
Amount due to an intermediate holding company	15	3,240	3,925
Amount due to a shareholder	15	5,088	7,487
Tax liabilities		15,408	6,273
Bank loans	13	334,498	378,352
		<u>436,583</u>	<u>484,744</u>
NET CURRENT LIABILITIES		<u>(208,717)</u>	<u>(218,397)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>8,945,114</u></u>	<u><u>9,039,635</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

AT 30TH JUNE, 2025

	<i>NOTES</i>	As at 30th June, 2025 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2024 <i>HK\$'000</i> (Audited)
CAPITAL AND RESERVES			
Share capital	<i>14</i>	1,084,887	1,084,887
Reserves		<u>5,885,147</u>	<u>5,941,525</u>
Equity attributable to owners of the Company		6,970,034	7,026,412
Non-controlling interests		<u>1,222,562</u>	<u>1,196,376</u>
TOTAL EQUITY		<u>8,192,596</u>	<u>8,222,788</u>
NON-CURRENT LIABILITIES			
Bank loans	<i>13</i>	566,121	626,721
Rental deposits received		9,755	12,216
Deferred tax liabilities		<u>176,642</u>	<u>177,910</u>
		<u>752,518</u>	<u>816,847</u>
		<u><u>8,945,114</u></u>	<u><u>9,039,635</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30TH JUNE, 2025

	Attributable to owners of the Company											
	Share capital	Capital reserve	Property revaluation reserve	Securities revaluation reserve	General reserve	Foreign currency translation reserve	Own shares held by a subsidiary	Other reserve	Retained profits	Sub-total	Non-controlling interests	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<i>(Note a)</i>	<i>(Note b)</i>				<i>(Note c)</i>	<i>(Note d)</i>				
At 1st January, 2024 (audited)	1,084,887	4,181	50,832	(6,795)	263	(53,306)	(12,271)	498,660	5,770,347	7,336,798	1,223,238	8,560,036
Loss for the period	-	-	-	-	-	-	-	-	(92,837)	(92,837)	(11,216)	(104,053)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	(9,792)	-	-	-	(9,792)	(3,981)	(13,773)
Fair value gain on investments in equity instruments at FVTOCI	-	-	-	323	-	-	-	-	-	323	132	455
Total comprehensive income (expenses) for the period	-	-	-	323	-	(9,792)	-	-	(92,837)	(102,306)	(15,065)	(117,371)
At 30th June, 2024 (unaudited)	1,084,887	4,181	50,832	(6,472)	263	(63,098)	(12,271)	498,660	5,677,510	7,234,492	1,208,173	8,442,665
At 1st January, 2025 (audited)	1,084,887	4,181	50,832	(6,566)	263	(74,002)	(12,271)	498,660	5,480,428	7,026,412	1,196,376	8,222,788
Loss for the period	-	-	-	-	-	-	-	-	(138,175)	(138,175)	(7,080)	(145,255)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	86,176	-	-	-	86,176	35,046	121,222
Fair value loss on investments in equity instruments at FVTOCI	-	-	-	(4,379)	-	-	-	-	-	(4,379)	(1,780)	(6,159)
Total comprehensive (expenses) income for the period	-	-	-	(4,379)	-	86,176	-	-	(138,175)	(56,378)	26,186	(30,192)
At 30th June, 2025 (unaudited)	1,084,887	4,181	50,832	(10,945)	263	12,174	(12,271)	498,660	5,342,253	6,970,034	1,222,562	8,192,596

Notes:

- The capital reserve was created by capital reduction of the Company on 28th June, 1988.
- The property revaluation reserve is arisen from the transfer of properties from property, plant and equipment to investment properties and will be transferred to retained profits when the relevant properties are disposed of.
- The own shares held by a subsidiary represents the carrying amount of shares in the Company held by an entity at the time the entity became a subsidiary of the Company.
- The other reserve was resulted from the acquisition of additional interest or disposal of partial interest in subsidiaries without losing control in previous years.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30TH JUNE, 2025

	Six months ended 30th June, 2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Operating activities		
Loss before taxation	(132,771)	(96,368)
Adjustments for:		
Decrease in fair value of investment properties	154,800	92,232
Loss on disposal of property, plant and equipment	82	2,497
Depreciation of property, plant and equipment	83,192	82,458
Depreciation of right-of-use asset	384	381
Other non-cash items	22,368	28,751
Operating cash flows before movements in working capital	128,055	109,951
Decrease in trade and other payables and accruals	(9,977)	(10,297)
Decrease in contract liabilities	(970)	(411)
(Decrease) increase in rental and other deposits received	(871)	532
Increase in other deposits and prepayments	(523)	(2,332)
Decrease in trade and other receivables	2,422	12,639
Decrease in inventories	61	271
Cash generated from operations	118,197	110,353
Hong Kong Profits Tax (paid) refunded	(111)	923
Income tax paid in other jurisdictions	(4,881)	(3,762)
Net cash from operating activities	113,205	107,514
Investing activities		
Addition of property, plant and equipment	(3,123)	(12,985)
Interest received	1,502	3,504
Addition of investment properties	–	(207,000)
Expenditure on investment properties	–	(10,532)
Proceeds from disposal of property, plant and equipment	–	1,000
Net cash used in investing activities	(1,621)	(226,013)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Continued)
FOR THE SIX MONTHS ENDED 30TH JUNE, 2025

	Six months ended 30th June,	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Financing activities		
Repayment of bank loans	(160,483)	(146,733)
Interest paid	(24,820)	(31,973)
Repayment to a shareholder	(2,399)	–
Repayment to an intermediate holding company	(721)	(842)
New bank loan raised	<u>32,000</u>	<u>150,000</u>
Net cash used in financing activities	<u>(156,423)</u>	<u>(29,548)</u>
Net decrease in cash and cash equivalents	(44,839)	(148,047)
Cash and cash equivalents at the beginning of the period	234,982	334,479
Effect of foreign exchange rate changes	<u>8,333</u>	<u>(1,794)</u>
Cash and cash equivalents at the end of the period,		
represented by bank balances and cash	<u><u>198,476</u></u>	<u><u>184,638</u></u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH JUNE, 2025

1. BASIS OF PREPARATION

Shun Ho Property Investments Limited (the “Company”) is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

The Company’s immediate holding company is Omnico Company Inc., a wholly-owned subsidiary of Shun Ho Holdings Limited (“Shun Ho Holdings”, an intermediate holding company of the Company) which is a public limited company incorporated in Hong Kong whose shares are listed on the Hong Kong Stock Exchange. The directors of the Company consider the Company’s ultimate holding company to be Magnificent Assets Holdings Limited, an international business company incorporated in the British Virgin Islands.

The condensed consolidated financial statements are presented in Hong Kong Dollars (“HK\$”), which is also the functional currency of the Company. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are the investment and operation of hotels, property investment and securities investment.

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange.

The financial information relating to the year ended 31st December, 2024 that is included in these condensed consolidated financial statements 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 these statutory financial statements is as follows:

The Company has delivered the financial statements for the year ended 31st December, 2024 to the Register 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 those financial statements. 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 sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

1. BASIS OF PREPARATION (*Continued*)

In preparing the condensed consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group's current liabilities exceeded its current assets by HK\$208,717,000 as at 30th June, 2025. In the opinion of the directors of the Company, the Group has source of finance available to fund its operations, including internal financial resources, and refinanced bank facility amounting to GBP23,336,500 (equivalent to HK\$251,334,000). Shun Ho Holdings Limited, which is an intermediate holding company, agreed not to demand repayment on the amount due to an intermediate holding company before the Group has the financial ability to do so. Accordingly, the condensed consolidated financial statements have been prepared in conformity with principles applicable to a going concern basis.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th June, 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31st December, 2024.

The application of all amendments to HKFRS Accounting Standards issued by the HKICPA are disclosed below.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1st January, 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

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

3. REVENUE

Revenue represents the aggregate of income from operation of hotels, property rental and dividend income, and is analysed as follows:

	Six months ended 30th June,	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Income from operation of hotels	268,032	259,757
Income from property rental	66,281	59,818
Dividend income	25	—
	<u>334,338</u>	<u>319,575</u>

Disaggregation of revenue for operation of hotels:

	Six months ended 30th June,	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Types of goods or services (time of revenue recognition):		
Room revenue and other ancillary services (recognised over time)	259,352	252,270
Food and beverage (recognised at a point in time)	8,680	7,487
	<u>268,032</u>	<u>259,757</u>
Geographical markets:		
Hong Kong	255,673	249,234
The People's Republic of China (the "PRC")	12,359	10,523
	<u>268,032</u>	<u>259,757</u>

4. SEGMENT INFORMATION

The Group's operating and reportable segments, based on information reported to the chief operating decision maker (the "CODM"), being the Chairman of the Company, for the purpose of resources allocation and performance assessment are as follows:

1. Hospitality services – Best Western Plus Hotel Kowloon
2. Hospitality services – Best Western Plus Hotel Hong Kong
3. Hospitality services – Magnificent International Hotel, Shanghai
4. Hospitality services – Best Western Hotel Causeway Bay
5. Hospitality services – Ramada Hong Kong Harbour View
6. Hospitality services – Ramada Hong Kong Grand
7. Hospitality services – Ramada Hong Kong Grand View
8. Hospitality services – Wood Street Hotel
9. Hospitality services – Grand Bay View Hotel
10. Property investment – 633 King's Road
11. Property investment – Shun Ho Tower
12. Property investment – Shops, hotel and residential properties
13. Securities investment

Information regarding the above segments is reported below.

4. SEGMENT INFORMATION (*Continued*)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment for both periods:

	Segment revenue		Segment results	
	Six months		Six months	
	ended 30th June,		ended 30th June,	
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Hospitality services	268,032	259,757	9,353	(1,066)
– Best Western Plus Hotel Kowloon	26,944	24,396	(2,729)	(4,389)
– Best Western Plus Hotel Hong Kong	40,828	40,851	13,093	11,990
– Magnificent International Hotel, Shanghai	12,359	10,523	2,882	1,555
– Best Western Hotel Causeway Bay	24,526	24,514	(542)	(850)
– Ramada Hong Kong Harbour View	41,567	40,936	12,242	11,373
– Ramada Hong Kong Grand	40,515	41,658	1,181	2,637
– Ramada Hong Kong Grand View	36,794	34,798	3,352	853
– Grand Bay View Hotel	44,499	42,081	(20,126)	(24,235)
Property investments	66,281	59,818	(90,487)	(34,276)
– 633 King's Road	31,106	32,215	(90,642)	(39,377)
– Shun Ho Tower	6,925	7,166	(21,395)	(9,404)
– Shops, hotel and residential properties	28,250	20,437	21,550	14,505
Securities investments	25	–	25	–
	<u>334,338</u>	<u>319,575</u>	(81,109)	(35,342)
Other income and expenses and gains and losses			2,416	1,279
Administrative expenses			(30,223)	(30,573)
Finance costs			(23,855)	(31,732)
Loss before taxation			<u>(132,771)</u>	<u>(96,368)</u>

4. SEGMENT INFORMATION (*Continued*)

Segment revenue and results (*Continued*)

Segment results represent the loss from/profit earned by each segment without allocation of central administrative costs, other income and expenses and gains and losses and finance costs. This is the measure reported to the CODM, for the purposes of resources allocation and performance assessment.

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales for both periods.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

	As at 30th June, 2025 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2024 <i>HK\$'000</i> (Audited)
Segment assets		
Hospitality services	4,498,937	4,536,933
– Best Western Plus Hotel Kowloon	262,049	273,896
– Best Western Plus Hotel Hong Kong	299,249	300,739
– Magnificent International Hotel, Shanghai	53,400	54,229
– Best Western Hotel Causeway Bay	253,646	259,495
– Ramada Hong Kong Harbour View	467,643	470,359
– Ramada Hong Kong Grand	533,490	547,699
– Ramada Hong Kong Grand View	856,180	866,917
– Wood Street Hotel	447,475	404,384
– Grand Bay View Hotel	1,325,805	1,359,215
Property investments	4,511,873	4,575,240
– 633 King's Road	2,542,810	2,662,488
– Shun Ho Tower	589,349	617,479
– Shops, hotel and residential properties	1,379,714	1,295,273
Securities investment	39,028	45,187
Total segment assets	9,049,838	9,157,360
Unallocated assets	331,859	367,019
Consolidated assets	9,381,697	9,524,379

4. SEGMENT INFORMATION (*Continued*)

Segment assets and liabilities (*Continued*)

	As at 30th June, 2025 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2024 <i>HK\$'000</i> (Audited)
Segment liabilities		
Hospitality services	34,797	47,497
– Best Western Plus Hotel Kowloon	3,974	5,881
– Best Western Plus Hotel Hong Kong	3,880	5,839
– Magnificent International Hotel, Shanghai	2,176	1,895
– Best Western Hotel Causeway Bay	3,753	4,935
– Ramada Hong Kong Harbour View	3,623	5,655
– Ramada Hong Kong Grand	3,797	5,812
– Ramada Hong Kong Grand View	4,679	7,002
– Grand Bay View Hotel	8,915	10,478
Property investments	47,336	47,956
– 633 King's Road	24,595	26,750
– Shun Ho Tower	5,727	5,688
– Shops, hotel and residential properties	17,014	15,518
Securities investment	1	1
Total segment liabilities	82,134	95,454
Unallocated liabilities	1,106,967	1,206,137
Consolidated liabilities	1,189,101	1,301,591

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments other than the Group's head office corporate assets (including certain property, plant and equipment), all bank balances and cash and certain other receivables and deposits; and
- all liabilities are allocated to operating and reportable segments other than the Group's head office corporate liabilities, amount due to an intermediate holding company, amount due to a shareholder, bank loans, tax liabilities and deferred tax liabilities.

5. FINANCE COSTS

	Six months ended 30th June,	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interests on:		
Bank loans	23,819	31,657
Amount due to an intermediate holding company (<i>note 15(a)</i>)	<u>36</u>	<u>75</u>
	<u>23,855</u>	<u>31,732</u>

6. INCOME TAX EXPENSE

	Six months ended 30th June,	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
The taxation expense comprises:		
Current tax:		
Hong Kong	9,410	7,070
The United Kingdom (the "UK")	<u>4,231</u>	<u>2,459</u>
	13,641	9,529
Underprovision in prior years:		
Hong Kong	<u>111</u>	<u>—</u>
	13,752	9,529
Deferred tax	<u>(1,268)</u>	<u>(1,844)</u>
	<u>12,484</u>	<u>7,685</u>

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The annual tax rate used is 16.5% for the six months ended 30th June, 2025 (six months ended 30th June, 2024: 16.5%).

6. INCOME TAX EXPENSE (*Continued*)

Taxation arising in the PRC and the UK are recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year prevailing in the relevant jurisdictions.

Deferred tax liabilities on the temporary differences attributable to the undistributed retained profit earned by the Company's PRC subsidiary amounted to HK\$275,000 (six months ended 30th June, 2024: HK\$140,000) were charged to profit or loss for the six months ended 30th June, 2025.

The Group is operating in certain jurisdictions where the Pillar Two Rules is enacted but not effective. However, as the Group's consolidated annual revenue is expected to be less than EUR750 million, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

7. LOSS FOR THE PERIOD

Six months ended 30th June,	
2025	2024
HK\$'000	HK\$'000
(Unaudited)	(Unaudited)

Loss for the period has been arrived at after charging (crediting) the following items:

Depreciation of right-of-use asset	384	381
Depreciation of property, plant and equipment	83,192	82,458
Interest income from bank deposits (<i>Note</i>)	(1,487)	(2,981)
Loss on disposal of property, plant and equipment (<i>Note</i>)	82	2,497

Note: The amounts are included in other income and expenses and gains and losses.

8. DIVIDEND

During the six months ended 30th June, 2025 and 30th June, 2024, no dividend was declared and paid to shareholders for the year ended 31st December, 2024 and 31st December, 2023.

The directors have resolved not to declare or propose an interim dividend for the six months ended 30th June, 2025 and 30th June, 2024.

9. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the period attributable to the owners of the Company of HK\$138,175,000 (six months ended 30th June, 2024: HK\$92,837,000) and on 511,613,000 shares (six months ended 30th June, 2024: 511,613,000 shares) in issue during the period. The number of shares adopted in the calculation of the loss per share has been arrived at after eliminating the shares in the Company held by a subsidiary of the Company.

Diluted loss per share for both periods are not presented as there are no potential ordinary shares exist during both periods.

10. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the six months ended 30th June, 2025, the Group acquired property, plant and equipment of HK\$3,123,000 (six months ended 30th June, 2024: HK\$12,985,000).

The Group has disposed of property, plant and equipment with carrying amount of HK\$82,000 (six months ended 30th June, 2024: HK\$3,497,000) for cash proceeds of HK\$Nil (six months ended 30th June, 2024: HK\$1,000,000), resulting in a loss on disposal of HK\$82,000 (six months ended 30th June, 2024: HK\$2,497,000).

10. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES (*Continued*)

Investment properties are stated at fair value based on the valuations performed by independent professional valuers which are not connected with the Group. The fair value is derived by using income approach to assess the market value of the investment properties. During the assessment of the fair values of investment properties, the valuers and the Directors of the Company have exercised their judgement and are satisfied that the method of valuation and the key inputs, including term yield, reversionary yield and market rent, are reflective of the current market conditions. If there are changes in the assumptions used for the valuations, the fair value of the investment properties will change in the future.

The resulting decrease in fair value of investment properties of HK\$154,800,000 (six months ended 30th June, 2024: HK\$92,232,000) has been recognised directly in profit or loss for the six months ended 30th June, 2025.

During the six months ended 30th June, 2025, the Group acquired investment properties at a cash consideration HK\$Nil (six months ended 30th June, 2024: HK\$207,000,000).

The investment properties of the Group with an aggregate carrying amount of approximately HK\$3,781,074,000 (31st December, 2024: HK\$3,786,394,000) were rented out under operating leases at the end of the reporting period.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The income approach estimates the values of the properties on an open market basis by capitalising rental income on a fully leased basis having regard to the current passing rental income from existing tenancies and potential future reversionary income at the market level. The term value involves the capitalisation of the current passing rental income over the existing lease term. The reversionary value is taken to be current market rental income upon the expiry of the lease and is capitalised on a fully leased basis. In this approach, the Valuers have considered the term yield and reversionary yield. The term yield is used for capitalisation of the current passing rental income as at the date of valuation whilst the reversionary yield is used to convert reversionary rental income.

11. TRADE AND OTHER RECEIVABLES

	As at 30th June, 2025 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2024 <i>HK\$'000</i> (Audited)
Trade receivables from contracts with customers	6,999	10,088
Lease receivables	2,534	2,250
Other receivables	3,227	2,859
	<u>12,760</u>	<u>15,197</u>

Except for a credit period of 30 to 60 days granted to travel agencies and certain customers of the hotels, the Group does not allow any credit period to customers. The following is an aged analysis of the Group's trade receivables from contracts with customers and lease receivables presented based on the invoice date at the end of the reporting period:

	As at 30th June, 2025 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2024 <i>HK\$'000</i> (Audited)
Not yet due	9,280	12,139
Overdue:		
0 – 30 days	80	104
31 – 60 days	173	94
61 – 90 days	—	1
	<u>9,533</u>	<u>12,338</u>

12. TRADE AND OTHER PAYABLES AND ACCRUALS

	As at 30th June, 2025 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2024 <i>HK\$'000</i> (Audited)
Trade payables	4,748	5,288
Interest payables	1,045	2,047
Others payables	6,756	3,304
Legal and professional fee payables	2,132	3,523
Rental receipt in advance	12,069	10,716
Accrued staff costs	6,615	17,953
Other accruals	15,844	17,356
	<u>49,209</u>	<u>60,187</u>

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

	As at 30th June, 2025 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2024 <i>HK\$'000</i> (Audited)
0 – 30 days	4,740	5,281
31 – 60 days	7	6
61 – 90 days	1	1
	<u>4,748</u>	<u>5,288</u>

13. BANK LOANS

	As at 30th June, 2025 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2024 <i>HK\$'000</i> (Audited)
Secured bank loans	<u>900,619</u>	<u>1,005,073</u>
The carrying amounts of bank loans are repayable (based on scheduled repayment dates set out in the loan agreements):		
Within one year	284,498	260,352
Within a period of more than one year but not exceeding two years	33,200	33,200
Within a period of more than two years but not exceeding five years	<u>532,921</u>	<u>593,521</u>
	<u>850,619</u>	<u>887,073</u>
The carrying amounts of bank loans that contain a repayment on demand clause (shown under current liabilities) but repayable:		
Within one year	<u>50,000</u>	<u>118,000</u>
	<u>900,619</u>	<u>1,005,073</u>
Amounts shown under current liabilities	334,498	378,352
Amounts shown under non-current liabilities	<u>566,121</u>	<u>626,721</u>
	<u>900,619</u>	<u>1,005,073</u>

All the Group's bank loans are floating rate borrowings. The bank loans are secured over certain of the Group's assets as disclosed in note 16. Effective interest rate is 4.54% per annum (31st December, 2024: 6.05% per annum).

14. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Ordinary shares		
Issued and fully paid:		
At 1st January, 2024 (audited),		
30th June, 2024 (unaudited),		
31st December, 2024 (audited) and		
30th June, 2025 (unaudited)	<u>579,753</u>	<u>1,084,887</u>

At 30th June, 2025, the Company's 68,140,000 (31st December, 2024: 68,140,000) issued shares were held by a subsidiary of the Company. In accordance with the Hong Kong Companies Ordinance, members of the Group who are shareholders of the Company have no right to vote at meetings of the Company.

15. RELATED PARTY TRANSACTIONS AND BALANCES

Other than those disclosed in the condensed consolidated financial statements, the Group had the following transactions and balances with related parties during the periods and as at period/year ends:

	Six months ended 30th June, 2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Transactions during the period:		
Shun Ho Holdings Limited (the Company's intermediate holding company) and its subsidiaries*		
Corporate management fee income for administrative facilities provided	75	75
Interest expenses (<i>Note a</i>)	36	75
Rental income from		
Mr. William Cheng Kai Man	420	420
Compensation of key management personnel (<i>Note c</i>)	<u>10,537</u>	<u>10,649</u>

15. RELATED PARTY TRANSACTIONS AND BALANCES (*Continued*)

	As at 30th June, 2025 <i>HK\$'000</i> (Unaudited)	As at 31st December, 2024 <i>HK\$'000</i> (Audited)
Balances as at period/year end:		
Amount due to an intermediate holding company (<i>Note a</i>)	3,240	3,925
Amount due to Mr. William Cheng Kai Man (<i>Note b</i>)	<u>5,088</u>	<u>7,487</u>

* exclude the Company and its subsidiaries

Notes:

- (a) The amount due to an intermediate holding company was unsecured, carried interest at fixed rate of 2% per annum (31st December, 2024: 2% per annum) and repayable on demand.
- (b) The amount due to a shareholder which is non-traded related, unsecured, interest-free and repayable on demand.
- (c) The compensation of key management personnel comprised short-term and post employment benefits attributable to such personnel.

16. PLEDGE OF ASSETS

At the end of reporting period, the bank loan facilities of the Group were secured by the followings:

- (a) investment properties and hotel properties of the Group with carrying amounts as at 30th June, 2025 of approximately HK\$3,583 million (31st December, 2024: HK\$3,615 million) and HK\$1,468 million (31st December, 2024: HK\$1,493 million), respectively;
- (b) pledge of shares in certain subsidiaries of the Company with an aggregate net asset value as at 30th June, 2025 of approximately HK\$3,819 million (31st December, 2024: HK\$3,831 million);
- (c) assignment of property rental of certain subsidiaries of the Company; and
- (d) assignment of insurance on certain investment properties.

17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and key inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial asset	Fair value as at		Fair value hierarchy	Valuation technique and key input
	30th June, 2025	31st December, 2024		
	<i>HK\$'000</i>	<i>HK\$'000</i>		
	(Unaudited)	(Audited)		
Equity instruments at FVTOCI	<u>39,028</u>	<u>45,187</u>	Level 1	Quoted bid prices in an active market

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.