



天津发展控股有限公司

TIANJIN DEVELOPMENT HOLDINGS LIMITED

*(Incorporated in Hong Kong with limited liability)*

Stock Code : 882

Interim Report

2025



# Contents

Corporate Information	2
Business Structure	3
Condensed Consolidated Statement of Profit or Loss	5
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	6
Condensed Consolidated Statement of Financial Position	7
Condensed Consolidated Statement of Changes in Equity	9
Condensed Consolidated Statement of Cash Flows	10
Notes to the Condensed Consolidated Financial Statements	11
Management Discussion and Analysis	39
Other Information	47
Report on Review of Condensed Consolidated Financial Statements	53

# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Teng Fei (*Chairman*)  
Dr. Zhai Xinxiang (*General Manager*)  
Mr. Xia Binhui

### Non-Executive Director

Mr. Sun Lijun

### Independent Non-Executive Directors

Ms. Ng Yi Kum, Estella  
Mr. Wong Shiu Hoi, Peter  
Mr. Lau Ka Keung  
Mr. Sin Hendrick

## AUTHORISED REPRESENTATIVES

Mr. Teng Fei  
Dr. Zhai Xinxiang

## COMPANY SECRETARY

Ms. Lee Su Yee, Bonnie

## INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu  
Registered Public Interest Entity Auditors

## SOLICITOR

Woo Kwan Lee & Lo

## REGISTERED OFFICE

Suites 7-13, 36th Floor  
China Merchants Tower  
Shun Tak Centre  
168-200 Connaught Road Central  
Hong Kong

Telephone : (852) 2162 8888  
Facsimile : (852) 2311 0896  
E-mail : [ir@tianjindev.com](mailto:ir@tianjindev.com)  
Website : [www.tianjindev.com](http://www.tianjindev.com)

## SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

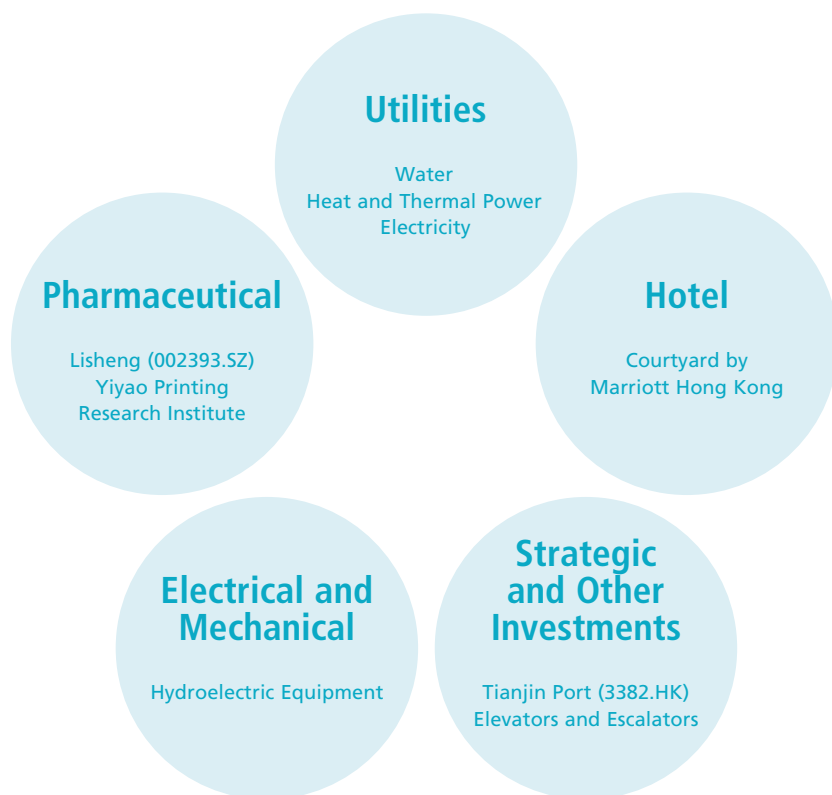
## STOCK CODE

Hong Kong Stock Exchange: 882

## PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
China CITIC Bank International Limited  
Industrial and Commercial Bank of  
China (Asia) Limited  
Shanghai Pudong Development Bank Co., Ltd.  
Hong Kong Branch  
The Hongkong and Shanghai Banking  
Corporation Limited  
Hang Seng Bank Limited

## TIANJIN DEVELOPMENT HOLDINGS LIMITED



# Business Structure

## UTILITIES

Company Name	Shareholding	Principal Activities
Tianjin TEDA Tsinlien Water Supply Co., Ltd.	91.41%	Distribution of water in TEDA
Tianjin TEDA Tsinlien Heat & Power Co., Ltd.	90.94%	Distribution of steam in TEDA
Tianjin TEDA Electric Power Co., Ltd.	47.09%	Distribution of electricity in TEDA

## PHARMACEUTICAL

Company Name	Shareholding	Principal Activities
Tianjin Yiyao Printing Co., Ltd.	43.55%	Design, manufacture and printing for pharmaceutical packaging
Tianjin Lisheng Pharmaceutical Co., Ltd.	34.11%	Manufacture and sales of chemical drugs, proprietary Chinese medicines and other healthcare products
Tianjin Institute of Pharmaceutical Research Co., Ltd.	20.80%	Research and development of new medicine technology and new products

## HOTEL

Company Name	Shareholding	Principal Activities
Tsinlien Realty Limited	100%	Operation of Courtyard by Marriott Hong Kong

## ELECTRICAL AND MECHANICAL

Company Name	Shareholding	Principal Activities
Tianjin Tianfa Heavy Machinery & Hydro Power Equipment Manufacture Co., Ltd.	82.74%	Manufacture and sale of hydroelectric equipment

## STRATEGIC AND OTHER INVESTMENTS

Company Name	Shareholding	Principal Activities
Tianjin Port Development Holdings Limited	21%	Provision of port services in Tianjin
Otis Elevator (China) Investment Company Limited	16.55%	Manufacture and sale of elevators and escalators

note: The above shareholding percentages represent effective equity interest in respective companies or group of companies. The effective equity interest in Tianjin Lisheng Pharmaceutical Co., Ltd. held by the Group has taken into account the equity interest held under treasury shares as if the relevant employees were entitled to their ownership of treasury shares under the restricted shares incentive scheme.

# Condensed Consolidated Statement of Profit or Loss

		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
	Notes	(unaudited)	(unaudited)
Revenue	3	<b>1,718,589</b>	1,820,260
Cost of sales		<b>(1,170,689)</b>	(1,231,769)
Gross profit		<b>547,900</b>	588,491
Other income	4	<b>474,910</b>	149,223
Other gains and losses, net	5	<b>26,669</b>	(30,201)
Selling and distribution expenses		<b>(249,780)</b>	(240,710)
General and administrative expenses		<b>(211,825)</b>	(174,769)
Other operating expenses		<b>(96,393)</b>	(74,405)
Finance costs		<b>(49,264)</b>	(57,837)
Share of net profit of associates and joint venture accounted for using the equity method		<b>249,283</b>	257,003
Profit before tax		<b>691,500</b>	416,795
Tax expense	6	<b>(76,504)</b>	(32,465)
Profit for the period	7	<b>614,996</b>	384,330
Attributable to:			
– Owners of the Company		<b>344,455</b>	288,077
– Non-controlling interests		<b>270,541</b>	96,253
		<b>614,996</b>	384,330
Earnings per share	8	<b>HK cents</b>	HK cents
Basic		<b>32.11</b>	26.85
Diluted		<b>32.11</b>	26.85

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Profit for the period	614,996	384,330
<b>Other comprehensive (expense) income</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Change in fair value of equity instruments at fair value through other comprehensive income	(434,692)	(473,760)
Deferred taxation on fair value change of equity instruments at fair value through other comprehensive income	63,106	70,443
Share of other comprehensive income of investments accounted for using the equity method – fair value through other comprehensive income reserve, net of tax	800	1,286
Currency translation differences		
– the Group	127,667	(72,289)
– investments accounted for using the equity method	82,617	(44,915)
Other comprehensive expense for the period	(160,502)	(519,235)
Total comprehensive income (expense) for the period	454,494	(134,905)
Attributable to:		
Owners of the Company	354,123	64,717
Non-controlling interests	100,371	(199,622)
	454,494	(134,905)

# Condensed Consolidated Statement of Financial Position

		30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
	Notes		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	2,076,073	2,125,789
Land use rights		473,108	474,088
Investment properties	10	193,125	190,205
Investments accounted for using the equity method	11	6,339,761	6,064,989
Goodwill		77,365	77,323
Intangible assets		55,916	47,121
Financial assets at fair value through profit or loss	14	32,655	32,159
Finance lease receivables		82,775	96,540
Deposits paid for acquisition of property, plant and equipment		1,123	10,198
Deferred tax assets		78,900	78,412
Equity instruments at fair value through other comprehensive income	12	1,847,310	2,265,620
Time deposits with maturity over three months		1,617,398	238,734
		<b>12,875,509</b>	<b>11,701,178</b>
<b>Current assets</b>			
Inventories		324,776	304,722
Amounts due from investments accounted for using the equity method		12,973	16,086
Amount due from ultimate holding company		459	183
Amounts due from related companies		102,323	99,926
Contract assets		99,023	156,706
Finance lease receivables		15,139	14,910
Trade receivables	13	1,546,595	1,401,862
Other receivables, deposits and prepayments	13	737,991	426,410
Financial assets at fair value through profit or loss	14	602,611	653,229
Structured deposits	15	775,603	347,394
Entrusted deposits	16	1,064,449	1,036,909
Restricted bank balances		59,350	119,178
Time deposits with maturity over three months		1,788,300	2,379,043
Cash and cash equivalents		2,444,547	3,535,113
		<b>9,574,139</b>	<b>10,491,671</b>
<b>Total assets</b>		<b>22,449,648</b>	<b>22,192,849</b>

# Condensed Consolidated Statement of Financial Position

		30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
	Notes		
<b>EQUITY</b>			
<b>Owners of the Company</b>			
Share capital		5,136,285	5,136,285
Reserves		7,721,447	7,456,212
		12,857,732	12,592,497
<b>Non-controlling interests</b>		4,830,133	4,862,796
<b>Total equity</b>		17,687,865	17,455,293
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		8,779	13,633
Bank borrowings	17	30,611	24,597
Deferred tax liabilities		143,100	205,253
		182,490	243,483
<b>Current liabilities</b>			
Trade payables	18	480,988	444,637
Other payables and accruals		1,358,918	1,174,570
Amounts due to related companies		153,283	141,058
Contract liabilities		579,685	670,645
Lease liabilities		10,866	10,499
Bank borrowings	17	1,942,187	1,965,216
Current tax liabilities		53,366	87,448
		4,579,293	4,494,073
<b>Total liabilities</b>		4,761,783	4,737,556
<b>Total equity and liabilities</b>		22,449,648	22,192,849
<b>Net current assets</b>		4,994,846	5,997,598
<b>Total assets less current liabilities</b>		17,870,355	17,698,776

# Condensed Consolidated Statement of Changes in Equity

	Owners of the Company				Non-	Total
	Share capital HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Sub-total HK\$'000	controlling interests HK\$'000	
At 1 January 2024 (audited)	5,136,285	(261,454)	7,659,960	12,534,791	4,978,137	17,512,928
Profit for the period	–	–	288,077	288,077	96,253	384,330
Other comprehensive expense for the period	–	(223,360)	–	(223,360)	(295,875)	(519,235)
Total comprehensive (expense) income for the period	–	(223,360)	288,077	64,717	(199,622)	(134,905)
Dividends (Note 9)	–	–	(94,404)	(94,404)	(59,158)	(153,562)
Share-based payment reserves under restricted shares incentive scheme of a subsidiary	–	–	–	–	3,517	3,517
Acquisition of a subsidiary	–	–	–	–	44,225	44,225
Others	–	1,712	–	1,712	372	2,084
	–	1,712	(94,404)	(92,692)	(11,044)	(103,736)
At 30 June 2024 (unaudited)	5,136,285	(483,102)	7,853,633	12,506,816	4,767,471	17,274,287
At 1 January 2025 (audited)	5,136,285	(562,231)	8,018,443	12,592,497	4,862,796	17,455,293
Profit for the period	–	–	344,455	344,455	270,541	614,996
Other comprehensive income (expense) for the period	–	9,668	–	9,668	(170,170)	(160,502)
Total comprehensive income for the period	–	9,668	344,455	354,123	100,371	454,494
Dividends (Note 9)	–	–	(94,618)	(94,618)	(46,295)	(140,913)
Share-based payment reserves under restricted shares incentive scheme of a subsidiary	–	–	–	–	10,784	10,784
Repurchase of shares by a subsidiary	–	6,605	–	6,605	(104,809)	(98,204)
Disposal of an equity instrument at fair value through other comprehensive income	–	(3,551)	4,292	741	(741)	–
Transfer between reserves	–	(2,952)	2,952	–	–	–
Others	–	(1,616)	–	(1,616)	8,027	6,411
	–	(1,514)	(87,374)	(88,888)	(133,034)	(221,922)
At 30 June 2025 (unaudited)	5,136,285	(554,077)	8,275,524	12,857,732	4,830,133	17,687,865

# Condensed Consolidated Statement of Cash Flows

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Net cash from (used in) operating activities	90,326	(346,107)
Net cash used in investing activities	(985,234)	(296,030)
Net cash (used in) from financing activities	(171,189)	44,884
Net decrease in cash and cash equivalents	(1,066,097)	(597,253)
Cash and cash equivalents at 1 January	3,535,113	4,461,089
Effect of foreign exchange rate changes	(24,469)	(16,772)
Cash and cash equivalents at 30 June	2,444,547	3,847,064

# Notes to the Condensed Consolidated Financial Statements

## 1. BASIS OF PREPARATION

The condensed consolidated financial statements of Tianjin Development Holdings Limited (the “**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The financial information relating to the year ended 31 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 consolidated financial statements. Further information relating to these statutory financial statements is as follows:

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

The Company’s auditor has reported on those consolidated 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.

## 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.

Other than changes in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in these condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2024.

# Notes to the Condensed Consolidated Financial Statements

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### 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 annual period beginning on 1 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 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. SEGMENT INFORMATION

The Group determines its operating segments based on the reports that are used to make strategic decisions and reviewed by the chief operating decision-makers (the "**CODM**"). The CODM assess the performance of the operating segments based on a measure of profit after tax.

The Group has six reportable segments. The segments are managed separately as each business offers different products and services. The following summary describes the operation in each of the Group's reportable segments.

### (a) Utilities

This segment derives revenue from distribution of water, heat and thermal power to industrial, commercial and residential customers in the Tianjin Economic and Technological Development Area ("**TEDA**"), the People's Republic of China (the "**PRC**"), while the result of electricity business of this segment is contributed by Tianjin TEDA Electric Power Co., Ltd. (天津泰達電力有限公司) ("**TEDA Power**"), an investment accounted for using the equity method of the Group.

# Notes to the Condensed Consolidated Financial Statements

## 3. SEGMENT INFORMATION *(continued)*

### (b) Pharmaceutical

This segment derives revenue from manufacture and sales of chemical drugs, proprietary Chinese medicines and other healthcare products as well as design, manufacture and printing for pharmaceutical packaging in the PRC, while the result of the provision of pharmaceutical research and development services of this segment for the six months ended 30 June 2024 was contributed by Tianjin Institute of Pharmaceutical Research Co., Ltd. (天津藥物研究院有限公司) (“**Research Institute**”), an investment accounted for using the equity method of the Group in the prior period. On 25 December 2024, the Group lost significant influence over Research Institute upon the completion of unilateral capital injection by one of its equity holders, and Research Institute has been accounted for as an equity instrument at fair value through other comprehensive income of the Group since then. In this interim period, this segment does not recognise any profit or loss of Research Institute.

### (c) Hotel

This segment derives revenue from operation of a hotel in Hong Kong.

### (d) Electrical and mechanical

This segment derives revenue from manufacture and sales of hydroelectric equipment and large scale pump units.

### (e) Port services

The result of this segment is contributed by a listed investment accounted for using the equity method of the Group, Tianjin Port Development Holdings Limited (天津港發展控股有限公司) (“**Tianjin Port**”), which provides port services in Tianjin.

### (f) Elevators and escalators

The result of this segment is contributed by an investment accounted for using the equity method of the Group, Otis Elevator (China) Investment Company Limited (奧的斯電梯(中國)投資有限公司) (“**Otis China**”), which manufactures and sells elevators and escalators.

# Notes to the Condensed Consolidated Financial Statements

## 3. SEGMENT INFORMATION (continued)

### Disaggregation of revenue from contracts with customers

For the six months ended 30 June 2025 (unaudited)

Segments	Utilities HK\$'000	Pharmaceutical HK\$'000	Hotel HK\$'000	Electrical and mechanical HK\$'000	Total HK\$'000
<b>Types of goods or services</b>					
Utilities					
Water	143,963	-	-	-	143,963
Heat and thermal power	568,823	-	-	-	568,823
	712,786	-	-	-	712,786
Pharmaceutical					
Manufacture and sales of chemical drugs, proprietary Chinese medicines and other healthcare products	-	787,402	-	-	787,402
Design, manufacture and printing for pharmaceutical packaging	-	75,878	-	-	75,878
	-	863,280	-	-	863,280
Hotel	-	-	63,047	-	63,047
Electrical and mechanical					
Manufacture and sales of hydroelectric equipment and large scale pump units	-	-	-	79,476	79,476
	712,786	863,280	63,047	79,476	1,718,589
<b>Timing of revenue recognition</b>					
A point in time	712,786	863,280	-	-	1,576,066
Over time	-	-	63,047	79,476	142,523
	712,786	863,280	63,047	79,476	1,718,589

# Notes to the Condensed Consolidated Financial Statements

## 3. SEGMENT INFORMATION (continued)

### Disaggregation of revenue from contracts with customers (continued)

For the six months ended 30 June 2024 (unaudited)

Segments	Utilities HK\$'000	Pharmaceutical HK\$'000	Hotel HK\$'000	Electrical and mechanical HK\$'000	Total HK\$'000
<b>Types of goods or services</b>					
Utilities					
Water	142,305	–	–	–	142,305
Heat and thermal power	626,355	–	–	–	626,355
	768,660	–	–	–	768,660
Pharmaceutical					
Manufacture and sales of chemical drugs, proprietary Chinese medicines and other healthcare products	–	811,411	–	–	811,411
Design, manufacture and printing for pharmaceutical packaging	–	83,941	–	–	83,941
	–	895,352	–	–	895,352
Hotel	–	–	66,555	–	66,555
Electrical and mechanical					
Manufacture and sales of hydroelectric equipment and large scale pump units	–	–	–	89,693	89,693
	768,660	895,352	66,555	89,693	1,820,260
<b>Timing of revenue recognition</b>					
A point in time	768,660	895,352	–	–	1,664,012
Over time	–	–	66,555	89,693	156,248
	768,660	895,352	66,555	89,693	1,820,260

# Notes to the Condensed Consolidated Financial Statements

## 3. SEGMENT INFORMATION *(continued)*

### Segment revenue and results

**For the six months ended 30 June 2025 (unaudited)**

	Utilities HK\$'000 (note (i))	Pharmaceutical HK\$'000 (note (ii))	Hotel HK\$'000	Electrical and mechanical HK\$'000	Port services HK\$'000	Elevators and escalators HK\$'000	Total operating segments HK\$'000
Segment revenue							
– external customers	712,786	863,280	63,047	79,476	–	–	1,718,589
Operating profit (loss) before interest	44,541	380,824	10,705	(51,354)	–	–	384,716
Interest income	11,734	64,355	18	235	–	–	76,342
Finance costs	–	(2,136)	–	–	–	–	(2,136)
Share of net profit of associates and joint venture accounted for using the equity method	29,476	–	–	–	72,456	147,351	249,283
Profit (loss) before tax	85,751	443,043	10,723	(51,119)	72,456	147,351	708,205
Tax (expense) credit	(3,137)	(65,160)	4,869	(1)	–	–	(63,429)
Segment results							
– profit (loss) for the period	82,614	377,883	15,592	(51,120)	72,456	147,351	644,776
Non-controlling interests	(4,254)	(245,717)	–	8,824	–	(25,433)	(266,580)
Profit (loss) attributable to owners of the Company	78,360	132,166	15,592	(42,296)	72,456	121,918	378,196
Segment results							
– profit (loss) for the period includes:							
Depreciation and amortisation	22,120	51,405	6,720	11,346	–	–	91,591

# Notes to the Condensed Consolidated Financial Statements

## 3. SEGMENT INFORMATION *(continued)*

### Segment revenue and results *(continued)*

For the six months ended 30 June 2024 (unaudited)

	Utilities HK\$'000 (note (i))	Pharmaceutical HK\$'000 (note (ii))	Hotel HK\$'000	Electrical and mechanical HK\$'000	Port services HK\$'000	Elevators and escalators HK\$'000	Total operating segments HK\$'000
Segment revenue							
– external customers	768,660	895,352	66,555	89,693	–	–	1,820,260
Operating profit (loss) before interest	50,422	88,046	15,123	(58,700)	–	–	94,891
Interest income	12,257	45,101	52	170	–	–	57,580
Finance costs	–	(337)	–	–	–	–	(337)
Share of net profit (loss) of associates and joint venture accounted for using the equity method	28,259	(46,553)	–	–	87,882	187,415	257,003
Profit (loss) before tax	90,938	86,257	15,175	(58,530)	87,882	187,415	409,137
Tax (expense) credit	(3,812)	(24,001)	–	538	–	–	(27,275)
Segment results							
– profit (loss) for the period	87,126	62,256	15,175	(57,992)	87,882	187,415	381,862
Non-controlling interests	(4,757)	(56,680)	–	10,010	–	(32,348)	(83,775)
Profit (loss) attributable to owners of the Company	82,369	5,576	15,175	(47,982)	87,882	155,067	298,087
Segment results							
– profit (loss) for the period includes:							
Depreciation and amortisation	30,270	50,634	6,835	11,702	–	–	99,441

# Notes to the Condensed Consolidated Financial Statements

## 3. SEGMENT INFORMATION (continued)

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Reconciliation of profit for the period		
Total reportable segments	<b>644,776</b>	381,862
Corporate and others (note (iii))	<b>(29,780)</b>	2,468
Profit for the period	<b>614,996</b>	384,330

notes:

- (i) Revenue from supply of water, and heat and thermal power to external customers amounted to HK\$143,963,000 and HK\$568,823,000, respectively (six months ended 30 June 2024: HK\$142,305,000 and HK\$626,355,000, respectively).

The above revenue included government supplemental income of HK\$81,692,000 (six months ended 30 June 2024: HK\$77,194,000) which will be finalised by the relevant bureau of TEDA from time to time. While the recognition of the government supplemental income represents the best estimate of the Group's entitlement after taking all relevant factors into account, it may be different from the actual amount and subsequent adjustment may be necessary.

- (ii) Included in the operating profit before interest of pharmaceutical segment was dividend income from Tasly Group (as defined in Note 12) of approximately HK\$329,400,000 (six months ended 30 June 2024: Nil).
- (iii) These principally include (a) results of the Group's other non-core businesses which are not categorised as reportable segments; and (b) corporate level activities including central treasury management, administrative function and exchange gain or loss.

# Notes to the Condensed Consolidated Financial Statements

## 4. OTHER INCOME

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest income	124,656	131,845
Government grants	3,645	2,268
Rental income, net of negligible outgoings	525	3,738
Sales of scrap materials	1,071	452
Dividend income from equity instruments at fair value through other comprehensive income	334,488	2,433
Finance lease interest income	2,223	3,057
Sundries	8,302	5,430
	474,910	149,223

## 5. OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Reversal of (allowance for) impairment losses:		
– trade receivables	21,591	(21,963)
– other receivables	(662)	78
– contract assets	(7,270)	(3,667)
– finance lease receivable	102	197
Net (losses) gains on disposal/written off of property, plant and equipment	(77)	1,221
Net fair value gains (losses) on financial assets held for trading		
– listed	3,320	1,162
– unlisted	5,113	(6,118)
Net exchange gains (losses)	4,552	(1,111)
	26,669	(30,201)

# Notes to the Condensed Consolidated Financial Statements

## 6. TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current taxation		
PRC Enterprise Income Tax ("EIT")	52,301	21,529
Underprovision in prior years	24,413	–
Deferred taxation	(210)	10,936
	76,504	32,465

No provision for Hong Kong profits tax has been made for both interim periods as there was no estimated assessable profit derived from Hong Kong or the estimated assessable profit is wholly absorbed by tax losses brought forward from previous years.

The Group's PRC subsidiaries are subject to EIT at a rate of 25% except for certain PRC subsidiaries which are subject to a preferential EIT rate of 15% as they are qualified as High and New Technology Enterprises for both interim periods.

## 7. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit for the period is arrived at after charging:		
Employees' benefits expense (including directors' emoluments)	304,443	298,463
Cost of inventories recognised as an expense	955,188	900,853
Depreciation of property, plant and equipment	94,521	102,026
Depreciation of land use rights	4,220	3,071
Amortisation of intangible assets	2,506	4,339
Short-term lease expenses on		
– plants, pipelines and networks	5,345	6,119
– land and buildings	3,291	2,458
Research and development costs charged to other operating expenses	79,370	74,400

# Notes to the Condensed Consolidated Financial Statements

## 8. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
<b>Earnings</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
Profit attributable to owners of the Company for the purpose of basic and diluted earnings per share	<b>344,455</b>	288,077

	Six months ended 30 June	
	2025	2024
	Thousand	Thousand
<b>Number of shares</b>		
Number of ordinary shares for the purpose of basic and diluted earnings per share	<b>1,072,770</b>	1,072,770

The computation of the above diluted earnings per share does not include the unvested restricted shares granted by Tianjin Lisheng Pharmaceutical Co., Ltd. (天津力生製藥股份有限公司) ("Lisheng Pharmaceutical"), since they have no dilutive effect during both interim periods.

# Notes to the Condensed Consolidated Financial Statements

## 9. DIVIDENDS

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Dividends recognised as distribution during the period:		
– 2024 final dividend, paid		
– HK8.82 cents per ordinary share		
(2023: HK8.80 cents per ordinary share)	94,618	94,404

Subsequent to the end of the reporting period, the board of directors (the “**Board**”) has declared an interim dividend of HK5.18 cents per ordinary share (six months ended 30 June 2024: HK5.18 cents per ordinary share), amounting to approximately HK\$55,569,500 (six months ended 30 June 2024: HK\$55,569,500) in total, to the shareholders of the Company whose names appear on the Company’s register of members on 26 September 2025.

## 10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the current interim period, the Group acquired property, plant and equipment of HK\$25,930,000 for the purpose of expanding its business.

During the six months ended 30 June 2024, apart from the addition of property, plant and equipment upon acquisition of Jiangxi Qingchun Kangyuan Pharmaceutical Co., Ltd. (江西青春康源製藥有限公司) (“**Qingchun Kangyuan**”) and its subsidiary (collectively the “**Qingchun Kangyuan Group**”), the Group acquired property, plant and equipment of HK\$63,728,000 for the purpose of expanding its businesses.

In addition, neither acquisition nor disposal of investment properties was carried out by the Group for both interim periods.

# Notes to the Condensed Consolidated Financial Statements

## 10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES *(continued)*

For investment properties, the fair value at the end of the reporting period has been arrived at based on valuations carried out by HG Appraisal & Consulting Limited (six months ended 30 June 2024: Vigers Appraisal and Consulting Limited), an independent valuer not connected with the Group. The valuations were determined either on the basis of capitalisation of net rental income derived from existing tenancies or by reference to comparable market transactions. There has been no change from the valuation technique used in the prior year. The directors of the Company have determined that there was no material change in fair value of investment properties of the Group for both interim periods.

## 11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
The Group's interests in associates and joint venture		
– Listed shares in Hong Kong		
– Tianjin Port	3,776,179	3,716,230
– Unlisted shares in the PRC		
– Otis China	1,092,146	928,920
– TEDA Power	1,471,436	1,419,839
	6,339,761	6,064,989
Market value of listed shares		
– Tianjin Port	840,567	827,635

Interests in Tianjin Port at the end of the reporting period included goodwill of HK\$820,729,000, net of impairment losses (31 December 2024: HK\$820,729,000, net of impairment losses).

# Notes to the Condensed Consolidated Financial Statements

## 12. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

		30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
	notes		
<b>Equity securities</b>			
Listed, at market value	(i)	<b>77,236</b>	84,228
Unlisted	(ii)	<b>1,770,074</b>	2,181,392
		<b>1,847,310</b>	2,265,620

notes:

- (i) The listed securities mainly represent the Group's 4.20% (31 December 2024: 4.20%) equity interest in Binhai Investment Company Limited ("**Binhai Investment**") which is listed on the Main Board of the Stock Exchange.

As at 30 June 2025, the market value of the Group's equity interest in Binhai Investment was HK\$59,803,000 (31 December 2024: HK\$66,770,000) and the unrealised fair value loss of HK\$6,967,000 (six months ended 30 June 2024: HK\$11,569,000) was recognised in other comprehensive income.

- (ii) The unlisted equity securities mainly represented the Group's 12.15% (31 December 2024: 12.15%) equity interest in Tasly Bio-Medicine Industry Group Co., Ltd. (天士力生物醫藥產業集團有限公司) (formerly known as Tasly Holding Group Co., Ltd. (天士力控股集團有限公司)) ("**Tasly Group**") and 31.05% equity interest in Research Institute. Tasly Group is a conglomerate in the PRC and among its principal assets is holding Tasly Pharmaceutical Group Co., Ltd., (天士力醫藥集團股份有限公司) which is listed on the Shanghai Stock Exchange and is principally engaged in research and development, manufacturing and distribution of pharmaceutical products in the PRC.

Other unlisted equity securities are principally equity instruments in certain entities established and operated in the PRC. They are mainly denominated in Renminbi. The unlisted equity instruments are measured at fair value through other comprehensive income and details of fair value measurements are disclosed in Note 20.

# Notes to the Condensed Consolidated Financial Statements

## 13. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		<b>30 June 2025 HK\$'000 (unaudited)</b>	<b>31 December 2024 HK\$'000 (audited)</b>
	notes		
Trade receivables			
Trade receivables – exposure at default	(i)	<b>1,475,272</b>	1,312,897
Trade receivables – gross		<b>1,475,272</b>	1,312,897
Less: allowance for credit losses		<b>(135,339)</b>	(154,792)
Trade receivables – net		<b>1,339,933</b>	1,158,105
Trade receivables backed by notes		<b>206,662</b>	243,757
	(ii)	<b>1,546,595</b>	1,401,862
Other receivables, deposits and prepayments	(iii)	<b>737,991</b>	426,410

notes:

- (i) Various group companies have different credit policies which are dependent on the practice of the markets and the businesses in which they operate. In general, credit periods of (i) 30 days are granted to corporate customers of the Group's hotel business; (ii) 90 to 180 days are granted to customers in the electrical and mechanical segment; and (iii) 30 to 180 days are granted to customers in the pharmaceutical segment. No credit terms are granted to customers in the utilities segment.

# Notes to the Condensed Consolidated Financial Statements

## 13. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

(continued)

notes: (continued)

(ii) The ageing analysis of the Group's trade receivables (net of allowance) is as follows:

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Within 30 days	319,261	196,441
31 to 90 days	175,127	293,212
91 to 180 days	293,002	236,725
181 to 365 days	315,566	393,547
Over 1 year	443,639	281,937
	<b>1,546,595</b>	<b>1,401,862</b>

(iii) The increase in other receivables, deposits and prepayments was mainly contributed by the dividend income receivable from Tasly Group.

## 14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Investments held for trading:		
Listed shares in Hong Kong	9,539	8,427
Certificate of deposits	200,996	77,739
Listed funds in the PRC	11,328	11,003
Unlisted funds in the PRC	253,387	453,135
Unlisted trust funds in the PRC	160,016	135,084
	<b>635,266</b>	<b>685,388</b>
Analysed as:		
Current	602,611	653,229
Non-current	32,655	32,159
	<b>635,266</b>	<b>685,388</b>

# Notes to the Condensed Consolidated Financial Statements

## 15. STRUCTURED DEPOSITS

At 30 June 2025, the Group placed with seven licensed commercial banks (31 December 2024: seven licensed commercial banks) in the PRC for principal-protected structured deposits denominated in Renminbi with maturity up to 6 months (31 December 2024: 3 months) after the end of the reporting period. The expected annual interest rate for the structured deposits was indicated at 0.8% to 3.4% (31 December 2024: 1.1% to 2.6%) per annum, however, the actual interest to be received is uncertain until maturity. Such structured deposits were accounted for as financial assets at fair value through profit or loss.

## 16. ENTRUSTED DEPOSITS

As at 30 June 2025, the entrusted deposits denominated in Renminbi were placed with two financial institutions (31 December 2024: two financial institutions) in the PRC, with maturity from 6 to 12 months (31 December 2024: 6 to 12 months) after the end of the reporting period. The deposits carry the expected rates of return at 4.0% (31 December 2024: 4.0%) per annum.

## 17. BANK BORROWINGS

During the current interim period, the Group obtained new bank borrowings of HK\$22,736,000 and repayment of bank borrowings of HK\$43,113,000.

During the six months ended 30 June 2024, apart from the additions of bank borrowings upon acquisition of Qingchun Kangyuan Group, the Group obtained new bank borrowings of HK\$154,411,000 and repayment of bank borrowings of HK\$46,416,000.

At the end of the reporting period, the bank borrowings carry effective interest rate at 2.60% to 4.98% (31 December 2024: 3.28% to 5.96%) per annum.

# Notes to the Condensed Consolidated Financial Statements

## 18. TRADE PAYABLES

The ageing analysis of the Group's trade payables, based on invoice date, is as follows:

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Within 30 days	108,329	144,080
31 to 90 days	94,362	39,073
91 to 180 days	62,600	35,765
Over 180 days	215,697	225,719
	480,988	444,637

## 19. CAPITAL COMMITMENTS

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Contracted but not provided for in respect of additions to property, plant and equipment	21,489	28,596

# Notes to the Condensed Consolidated Financial Statements

## 20. 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 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 those derived from 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).

# Notes to the Condensed Consolidated Financial Statements

## 20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

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

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key inputs	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)				
<b>Equity instruments at fair value through other comprehensive income</b>						
– listed equity securities	<b>77,236</b>	84,228	Level 1	Quoted bid price in active markets	N/A	N/A
– unlisted equity security – Research Institute (note (i))	<b>905,589</b>	891,898	Level 3 (31 December 2024: Level 2)	Market approach based on transaction price with consideration of market multiples (31 December 2024: Market approach based on the transaction price by reference to the unilateral capital injection that is closest to end of the reporting period)	Market multiples (note (iii)) (31 December 2024: N/A)	An increase in the market multiples would result in an increase in fair value, and vice versa (31 December 2024: N/A)
– unlisted equity security – Tasly Group (note (iii))	<b>852,265</b>	1,272,690	Level 3	Asset-based approach based on adjusted net asset value (31 December 2024: Dividend yield model which uses expected maintainable dividend income and market dividend yield)	Adjusted net asset value (31 December 2024: Dividend yield of 1.49%) (note (iv))	An increase in the adjusted net asset value would result in an increase in fair value, and vice versa (31 December 2024: An increase in the dividend yield would result in a decrease in fair value, and vice versa)
– other unlisted equity securities	<b>12,220</b>	16,804	Level 3	Market approach which uses enterprise multiples of comparable companies and a marketability discount	Marketability discount of 8.37% (31 December 2024: 9.59% – 11.54%) (note (vi))	An increase in the marketability discount would result in a decrease in fair value, and vice versa
	<b>1,847,310</b>	2,265,620				

# Notes to the Condensed Consolidated Financial Statements

## 20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

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

Financial assets	Fair value as at 30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)	Fair value hierarchy	Valuation technique(s) and key inputs	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
<b>Financial assets at fair value through profit or loss</b>						
– listed equity securities	<b>9,539</b>	8,427	Level 1	Quoted bid price in active markets	N/A	N/A
– certificate of deposits	<b>200,996</b>	77,739	Level 2	Redemption value quoted by banks	N/A	N/A
– listed funds	<b>11,328</b>	11,003	Level 1	Quoted bid price in active markets	N/A	N/A
– unlisted funds	<b>253,387</b>	453,135	Level 2	Redemption value quoted by the relevant investment fund with reference to the underlying assets (mainly listed securities) of the fund	N/A	N/A
– unlisted trust funds	<b>160,016</b>	135,084	Level 2	Redemption value quoted by banks or financial institutions with reference to the underlying assets (mainly listed securities and government bonds) of the trust fund	N/A	N/A
– structured deposits	<b>775,603</b>	347,394	Level 2	Redemption value quoted by banks with reference to the expected return of the underlying assets	N/A	N/A
– entrusted deposits	<b>1,064,449</b>	1,036,909	Level 2	Redemption value quoted by financial institutions with reference to the expected return of the underlying assets	N/A	N/A
– Profit Guarantee Arrangement (note (vi))	–	–	Level 3	Discounted cash flow on estimated profits of Qingchun Kangyuan Group attributable to owners of Qingchun Kangyuan and discount rate	Estimate profits of Qingchun Kangyuan Group attributable to owners of Qingchun Kangyuan	The higher the estimate profits of Qingchun Kangyuan Group attributable to owners of Qingchun Kangyuan, the lower the fair value, and vice versa
	<b>2,475,318</b>	2,069,691				

# Notes to the Condensed Consolidated Financial Statements

## 20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

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

notes:

- (i) The fair value of Research Institute as at 30 June 2025 is determined by using market approach based on transaction price with consideration of market multiples (31 December 2024: market approach based on the transaction price as aforesaid) that better reflect its fair value on that date. Since the valuation technique changed in the current interim period involved significant unobservable inputs and hence the fair value measurement of Research Institute was transferred into Level 3 in the current interim period from Level 2 as at 31 December 2024.
- (ii) As at 30 June 2025, a 5% increase/decrease in the market multiples holding all other variable constant would increase/decrease the carrying amount of the unlisted equity security by HK\$49,674,000.
- (iii) The fair value of Tasly Group as at 30 June 2025 is determined by using asset-based approach based on adjusted net asset value (31 December 2024: dividend yield model) as it better reflects the value derived from the investee's underlying assets following the corporate restructuring during the six months ended 30 June 2025.
- (iv) As at 30 June 2025, a 1% increase/decrease in the adjusted net asset value holding all other variables constant would increase/decrease the carrying amount of the unlisted equity security by HK\$8,523,000. As at 31 December 2024, a 1% increase in the dividend yield holding all other variables constant would decrease the carrying amount of the unlisted equity security by HK \$12,560,000 and a 1% decrease in the dividend yield holding all other variables constant would increase the carrying amount of the unlisted equity security by HK\$12,815,000.
- (v) As at 30 June 2025, a 5% increase/decrease in the marketability discount holding all other variables constant would decrease/increase the carrying amount of the unlisted equity securities by HK\$608,000 (31 December 2024: HK\$727,000).

# Notes to the Condensed Consolidated Financial Statements

## 20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

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

notes: *(continued)*

- (vi) Pursuant to the equity acquisition agreement in relation to the acquisition of 65% equity interest in Qingchun Kangyuan entered into by Lisheng Pharmaceutical on 29 December 2023, Qingchun Kangyuan, the vendors and Mr. Liu Musheng (collectively referred as the “**Guarantors**”) have provided performance guarantee covering the financial years of 2023, 2024, 2025 and 2026 (“**Performance Commitment Period**”) to the Group, among which, the audited consolidated net profit (after deduction of non-recurring profits and losses) (“**Audited Net Profit**”) of Qingchun Kangyuan in the financial year of 2023 should not be less than RMB11,332,200 and, during the Performance Commitment Period, (i) the Audited Net Profit of Qingchun Kangyuan in any financial year shall not be lower than that in the preceding financial year; and (ii) the average growth rate of the Audited Net Profit of Qingchun Kangyuan per annum should not be lower than 10%, and accordingly, the Audited Net Profit of Qingchun Kangyuan in the financial year of 2026 shall not be less than RMB14,731,860 (collectively the “**Performance Guarantee**”). In the event that the Audited Net Profit of Qingchun Kangyuan cannot reach the required level as stipulated under the Performance Guarantee in respect of any relevant year in or the whole period of the Performance Commitment Period, the Guarantors will compensate to Lisheng Pharmaceutical (the “**Profit Guarantee Arrangement**”). Upon review by the Group during the years ended 31 December 2023 and 2024, the Performance Guarantee has been achieved and no performance compensation is required.

### Reconciliation of Level 3 fair value measurements of financial assets

	Unlisted equity securities HK\$'000
At 1 January 2024 (audited)	1,619,566
Fair value change recognised in other comprehensive expense	(456,026)
Exchange differences	(10,419)
At 30 June 2024 (unaudited)	1,153,121
At 1 January 2025 (audited)	<b>1,289,494</b>
Fair value change recognised in other comprehensive expense	<b>(427,435)</b>
Transfer into level 3	<b>895,767</b>
Disposal	<b>(12,544)</b>
Exchange differences	<b>24,792</b>
At 30 June 2025 (unaudited)	<b>1,770,074</b>

# Notes to the Condensed Consolidated Financial Statements

## 20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

### Reconciliation of Level 3 fair value measurements of financial assets *(continued)*

All gains and losses included in other comprehensive income relate to equity instruments at fair value through other comprehensive income held at the end of the reporting period and are reported as changes of “fair value through other comprehensive income reserve”.

### Fair value measurements and valuation processes

Some of the Group’s assets and liabilities are measured at fair value for financial reporting purposes. Management of the Group is responsible for determination of the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments.

Detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities are disclosed above.

There were no transfers between Levels 1, 2 and 3 during both interim periods, save as the fair value measurement of Research Institute transferred into Level 3 from Level 2 in the current interim period, details of which are set out in Note 20(i).

### Fair value of the Group’s financial assets and financial liabilities that are measured at fair value on a non-recurring basis

The directors of the Company consider that the carrying amounts of trade and other receivables, finance lease receivables, restricted bank balances, time deposits with maturity over three months, cash and cash equivalents, trade and other payables, short-term bank borrowings and balances with investments accounted for using the equity method, ultimate holding company and related companies that are recorded at amortised cost in these condensed consolidated financial statements approximate their fair values due to the short-term maturities of these assets and liabilities.

# Notes to the Condensed Consolidated Financial Statements

## 20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(continued)*

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a non-recurring basis *(continued)*

The fair values of the financial assets and financial liabilities recorded at amortised cost have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

The fair values of long-term bank borrowings are estimated using the expected future contractual payments discounted at current market interest rates available to similar financial instruments and approximate their carrying amounts.

## 21. RELATED PARTY DISCLOSURES

The Group is controlled by Tsinlien Group Company Limited ("**Tsinlien**"), which owns approximately 62.81% (31 December 2024: approximately 62.81%) of the Company's ordinary shares as at 30 June 2025. The remaining approximately 37.19% (31 December 2024: approximately 37.19%) of the Company's ordinary shares are widely held.

Tsinlien is a state-owned enterprise and ultimately controlled by Tianjin Municipal People's Government of the PRC. In accordance with HKAS 24 (Revised) "Related Party Disclosures", entities directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include Tsinlien, its subsidiaries and associates, other state-owned enterprises and their subsidiaries directly or indirectly controlled by the PRC government, and other entities and corporations in which the Company is able to exercise joint control or significant influence, and key management personnel of the Company and Tsinlien as well as their close family members.

During both interim periods, except for the government supplemental income granted by the relevant bureau of TEDA to the utilities business, the Group's significant transactions with other entities that are controlled, jointly controlled or significantly influenced by the PRC government (the "**Other Government-Related Entities**") mainly include majority of its cash at banks and time deposits in banks and the corresponding interest income and part of sales and purchases of goods and services (such as purchase of utilities including electricity and water and sales of pharmaceutical products which constituted the majority of the Group's purchases and sales). The price and other terms of such transactions are set out in the agreements governing these transactions or as mutually agreed, as appropriate.

# Notes to the Condensed Consolidated Financial Statements

## 21. RELATED PARTY DISCLOSURES (continued)

Apart from the above-mentioned transactions with the Other Government-Related Entities and the related party transactions and balances set out elsewhere in these condensed consolidated financial statements, the following is a summary of the significant related party transactions and balances arising in the normal course of the Group's business:

### (a) Related party transactions

#### (i) Transactions with related parties of the Group

		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
	notes	(unaudited)	(unaudited)
Short-term lease expenses for plant, pipelines and networks	(ii)	5,323	11,221
Purchase of goods	(i)	5,017	–
Purchase of daily office supplies, consumables, spare parts and other products	(i)	27,413	–
Purchase of services	(i)	9,182	–
Purchase of steam and thermal power	(iii)	494,499	529,378
Sales of goods	(i)	25,569	28,799
Sales of water, steam and heat	(v)	49,696	40,212
Purchase of electricity	(v)	9,820	5,599

notes:

- (i) These transactions were conducted with related parties, which are entities controlled by Tianjin Pharmaceutical Group Co., Ltd. (天津市醫藥集團有限公司) ("Tianjin Pharmaceutical") and Tianjin TEDA Investment Holding Co., Ltd. ("TEDA Holding"), in accordance with the terms of the relevant agreements.
- (ii) The amount represents the leasing fees paid by the Group to Tianjin TEDA Water Industry Co. Ltd. (天津泰達水業有限公司) and Tianjin TEDA Heat & Power Energy Management Co. Ltd. (天津泰達熱電能源管理有限公司) for leasing of water transmission pipelines as well as the heat and power networks and related facilities for its utilities supply business in TEDA, respectively, in accordance with the terms of the relevant agreements. Both companies are wholly-owned subsidiaries of TEDA Holding.

# Notes to the Condensed Consolidated Financial Statements

## 21. RELATED PARTY DISCLOSURES *(continued)*

### (a) Related party transactions *(continued)*

#### (i) Transactions with related parties of the Group *(continued)*

- (iii) The amount represents the purchase of steam and thermal power from Tianjin TEDA Energy Development Co., Ltd. (天津泰達能源發展有限責任公司) and Guohua Energy Development (Tianjin) Co., Ltd. (國華能源發展(天津)有限公司) for heat and thermal power supply business in TEDA in accordance with the terms of the relevant agreements. Both companies are wholly-owned subsidiaries of TEDA Holding.
- (iv) The above related party transactions in (i), (ii) and (iii) with entities controlled by Tianjin Pharmaceutical and TEDA Holding, connected persons of the Group, also constitute non-exempt continuing connected transactions under Chapter 14A of the Listing Rules.
- (v) These related party transactions represent the provision/purchase of utilities services to/from entities controlled by TEDA Holding at published tariffs applicable to all independent customers that are exempted from all disclosure requirements in accordance with Rule 14A.97 of the Listing Rules.

#### (ii) Key management compensation

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Fees	–	–
Salaries and other emoluments	2,074	2,081
Retirement benefits scheme contribution	18	18
	<b>2,092</b>	2,099

# Notes to the Condensed Consolidated Financial Statements

## 21. RELATED PARTY DISCLOSURES *(continued)*

### (a) Related party transactions *(continued)*

#### (ii) *Key management compensation (continued)*

The emoluments of certain executive directors and senior management were borne by respective immediate shareholders for both interim periods.

### (b) Related party balances

Details of the related party balances are set out in the condensed consolidated statement of financial position.

## 22. EVENT AFTER THE END OF THE REPORTING PERIOD

Subsequent to the end of the reporting period, Lisheng Pharmaceutical proposed to enter into a limited partnership agreement (the “**Partnership Agreement**”) with CCB Private Equity Investment Management Co., Ltd. (建信股權投資管理有限責任公司), Tianjin TEDA Private Equity Fund Management Co., Ltd. (天津泰達私募基金管理有限公司), Gongqingcheng Jianxing Investment Partnership (Limited Partnership) (共青城建興投資合夥企業(有限合夥)), Tianjin TEDA International Holding (Group) Co., Ltd. (天津市泰達國際控股(集團)有限公司), Tianjin Guoxin Industrial Development Guidance Fund I (Limited Partnership) (天津市國鑫一號產業發展母基金合夥企業(有限合夥)) and Jianxin Pilot Strategic Emerging Industries Development Fund (L.P.) (建信領航戰略性新興產業發展基金(有限合夥)) for the formation of a limited partnership fund (the “**Fund**”) with a proposed total capital commitment of RMB500,000,000, among which Lisheng Pharmaceutical intends to commit RMB173,750,000, representing 34.75% of the proposed total capital commitment of the Fund. No binding agreement in relation to the proposed formation of the Fund has been entered into by Lisheng Pharmaceutical. The signing of the Partnership Agreement is conditional upon the passing of the relevant resolution(s) at a shareholders’ meeting of Lisheng Pharmaceutical.

# Management Discussion and Analysis

## BUSINESS REVIEW

### Utilities

The Group's utility businesses are mainly operated in the Tianjin Economic and Technological Development Area ("TEDA"), the People's Republic of China (the "PRC") through supplying water, heat and thermal power as well as electricity to industrial, commercial and residential customers.

TEDA is a national development zone and has long been in a leading position in terms of overall capabilities in the PRC. Situated at the centre of Bohai economic rim and also at the intersection of Beijing-Tianjin-Hebei metropolitan regions, TEDA is an ideal place for manufacturing and R&D developments.

### Water

Tianjin TEDA Tsinlien Water Supply Co., Ltd. (天津泰達津聯自來水有限公司) ("**Water Company**") and its subsidiary are principally engaged in supply of tap water in TEDA. They also engaged in installation and maintenance of water pipes, technical consultancy, retail and wholesale of water pipes and related parts as well as provision of water testing services. The daily water supply capacity of the Water Company is approximately 325,000 tonnes.

For the period under review, the Water Company reported revenue of approximately HK\$144 million, representing an increase of 1.2% over the same period last year. Profit from the Water Company was approximately HK\$22 million, a 19.6% increase as compared to HK\$18.4 million in the corresponding period last year. This was primarily attributable to the improvement in operating margins driven by the successful cost reduction efforts in operation. The total quantity of water sold for the period was approximately 22,563,000 tonnes, an increase of 3.6% over the same period last year.

### Heat and Thermal Power

Tianjin TEDA Tsinlien Heat & Power Co., Ltd. (天津泰達津聯熱電有限公司) ("**Heat & Power Company**") is principally engaged in distribution of steam and heat for industrial, commercial and residential customers within TEDA. The Heat & Power Company has transmission pipelines of approximately 549 kilometres and more than 120 processing stations in TEDA. The daily distribution capacity is approximately 25,000 tonnes of steam.

# Management Discussion and Analysis

## Utilities (continued)

### Heat and Thermal Power (continued)

For the six months ended 30 June 2025, revenue from the Heat & Power Company was approximately HK\$568.8 million, representing a decrease of 9.2% from HK\$626.4 million in the corresponding period in 2024. Profit from the Heat & Power Company was approximately HK\$31.1 million, as compared to HK\$40.4 million in the same period last year. The decline in both revenue and profit was mainly due to lower volumes of steam sold, partly offset by lower operating expenses. The total quantity of steam sold for the period was approximately 1,714,000 tonnes, a decrease of 10.2% over the same period last year.

### Electricity

As at 30 June 2025, the Group has 47.09% equity interest in Tianjin TEDA Electric Power Co., Ltd. (天津泰達電力有限公司) (“**TEDA Power**”). TEDA Power is principally engaged in supply of electricity in TEDA and also provides services in relation to construction of electricity supply network, application of technology related to new energy and renewable energy, electricity construction and related technical services as well as energy storage technology services. Currently, the installed transmission capacity of TEDA Power is approximately 1,060,000 kVA.

For the period under review, the revenue of TEDA Power decreased by 0.2% to approximately HK\$1,140.9 million and contributed to the Group a profit of approximately HK\$29.5 million, representing an increase of HK\$1.2 million over the same period in 2024. The total quantity of electricity sold for the period was approximately 1,448,681,000 kWh.

## Pharmaceutical

Pharmaceutical segment is principally engaged in the manufacture and sale of chemical drugs, proprietary Chinese medicines and other healthcare products as well as design, manufacture and printing for pharmaceutical packaging in the PRC, and also participates in the business of research and development of new medicine technology and new products through its 31.05% equity interest in Tianjin Institute of Pharmaceutical Research Co., Ltd. (天津藥物研究院有限公司) (“**Research Institute**”), an equity instrument at fair value through other comprehensive income.

# Management Discussion and Analysis

## Pharmaceutical (continued)

For the six months ended 30 June 2025, the segment revenue was approximately HK\$863.3 million, a decrease of 3.6% from HK\$895.4 million in the corresponding period last year. Of the total segment revenue, revenue from manufacture and sale of chemical drugs, proprietary Chinese medicines and other healthcare products was approximately HK\$787.4 million, a decline of 3% over the same period last year. Revenue from sale of packaging materials decreased by HK\$8.1 million to approximately HK\$75.9 million from HK\$84 million in the six months ended 30 June 2024. Profit from pharmaceutical segment was approximately HK\$377.9 million, compared to HK\$62.3 million in the same period last year.

If not taking into account the special dividend of HK\$303.1 million distributed by Tasly Bio-Medicine Industry Group Co., Ltd. (天士力生物醫藥產業集團有限公司) (“**Tasly Group**”), profit from pharmaceutical segment amounted to approximately HK\$74.8 million, an increase of HK\$12.5 million from HK\$62.3 million in the corresponding period last year. This result was mainly attributable to higher interest income and the absence of the impact from the Group’s share of result of Research Institute, partly offset by higher selling and distribution expenses as well as general and administrative expenses.

Reference is made to the announcement of the Company dated 22 August 2025 in relation to the proposed entering into of the limited partnership agreement (the “**Partnership Agreement**”) between Tianjin Lisheng Pharmaceutical Co., Ltd. (“**Lisheng Pharmaceutical**”), CCB Private Equity Investment Management Co., Ltd. (建信股權投資管理有限公司), Tianjin TEDA Private Equity Fund Management Co., Ltd. (天津泰達私募基金管理有限公司), Gongqingcheng Jianxing Investment Partnership (Limited Partnership) (共青城建興投資合夥企業(有限合夥)), Tianjin TEDA International Holding (Group) Co., Ltd. (天津市泰達國際控股(集團)有限公司), Tianjin Guoxin Industrial Development Guidance Fund I (Limited Partnership) (天津市國鑫一號產業發展母基金合夥企業(有限合夥)) and Jianxin Pilot Strategic Emerging Industries Development Fund (L.P.) (建信領航戰略性新興產業發展基金(有限合夥)) for the formation of a limited partnership fund (the “**Fund**”). The proposed total capital commitment of the Fund is RMB500,000,000, among which Lisheng Pharmaceutical intends to commit RMB173,750,000, representing 34.75% of the proposed total capital commitment of the Fund. As at the date of this report, no binding agreement in relation to the proposed formation of the Fund has been entered into by Lisheng Pharmaceutical. The signing of the Partnership Agreement is conditional upon the passing of the relevant resolution(s) at a shareholders’ meeting of Lisheng Pharmaceutical.

# Management Discussion and Analysis

## Hotel

Courtyard by Marriott Hong Kong ("**Courtyard Hotel**"), situated in a prime location on the Hong Kong Island, is a 4-star hotel with 245 guest rooms. It is positioned as an ideal lodge for business and leisure travellers.

For the six months ended 30 June 2025, Courtyard Hotel's revenue declined 5.4% to approximately HK\$63 million from HK\$66.6 million in the same period in 2024. Profit from Courtyard Hotel was approximately HK\$15.6 million compared to HK\$15.2 million in the corresponding period last year. The average occupancy rate was at 89.7%, increase two percentage points from the same period last year. The average room rate fell 6.4%.

## Electrical and Mechanical

Electrical and mechanical segment is principally engaged in the manufacture and sale of hydroelectric equipment as well as large scale pump units in the PRC.

For the period under review, revenue from electrical and mechanical segment was approximately HK\$79.5 million, a decrease of 11.4% over the corresponding period last year. Loss from electrical and mechanical segment was reduced to approximately HK\$51.1 million, a 11.9% improvement from HK\$58 million in the same period last year. The operating loss was primarily attributable to the lower level of activities in hydroelectric industry and the lower operating margins on contract work completed during the period. The Group will continue to take cautious view with the operating performance of hydroelectric equipment business and may consider critically the advantages in its restructuring.

# Management Discussion and Analysis

## Strategic and Other Investments

### *Port Services*

During the period under review, the revenue of Tianjin Port Development Holdings Limited ("**Tianjin Port**") (stock code: 3382) increased by 2.9% to approximately HK\$6,942.2 million and profit attributable to owners of Tianjin Port was approximately HK\$345 million, representing a decrease of 17.6% over the corresponding period last year.

Tianjin Port contributed to the Group a profit of approximately HK\$72.5 million, representing a decrease of 17.5% compared to the corresponding period last year.

### *Elevators and Escalators*

During the period under review, the revenue of Otis Elevator (China) Investment Company Limited (奧的斯電梯(中國)投資有限公司) ("**Otis China**") amounted to approximately HK\$6,740.8 million, representing a decrease of 23.3% over the same period last year.

Otis China contributed to the Group a profit (after non-controlling interests) of approximately HK\$121.9 million, representing a reduction of 21.4% over the corresponding period in 2024.

### *Investment in Binhai Investment Company Limited*

During the period under review, the Group had 4.2% interest in Binhai Investment Company Limited ("**Binhai Investment**") (stock code: 2886). As at 30 June 2025, the market value of the Group's interest in Binhai Investment was approximately HK\$59.8 million (31 December 2024: HK\$66.8 million) and the unrealised fair value loss of approximately HK\$7 million was recognised in other comprehensive income.

# Management Discussion and Analysis

## Strategic and Other Investments *(continued)*

### *Investment in Tasly Bio-Medicine Industry Group Co., Ltd.*

During the period under review, the Group had 12.15% equity interest in Tasly Group, a non-core passive investment in relation to the Group's pharmaceutical segment which was acquired indirectly from the controlling shareholder in 2015 by using merger accounting at an investment costs of HK\$191.5 million and is now held by Tianjin Central Pharmaceutical Co., Ltd. (天津市中央藥業有限公司) ("**Central Pharmaceutical**"), a wholly-owned subsidiary of Lisheng Pharmaceutical. Tasly Group is a conglomerate established under the laws of the PRC on 30 March 2000 and among its principal assets is holding of 257,164,534 A shares in Tasly Pharmaceutical Group Co., Ltd. (天士力醫藥集團股份有限公司) ("**Tasly Pharmaceutical**"), representing approximately 17.21% of Tasly Pharmaceutical's total issued A shares. Tasly Pharmaceutical is principally engaged in the research and development, manufacturing and distribution of pharmaceutical products in the PRC.

As at 30 June 2025, the fair value of investment in Tasly Group was approximately HK\$852.3 million (31 December 2024: HK\$1,272.7 million), accounting for approximately 3.8% of the Group's total assets, and on that date the unrealised fair value loss and exchange differences amounting to approximately HK\$420.4 million has been recognised in other comprehensive income. During the period under review, dividend income from Tasly Group was approximately HK\$329.4 million (for the year ended 31 December 2024: HK\$4 million). The holding of 12.15% equity interest in Tasly Group is not held for trading and not expected to be sold in the foreseeable future.

## PROSPECT

In the second half of 2025, the global economy confronts high uncertainty as geopolitical conflicts and international trade tensions persist. The outlook for international trade and economic recovery remain uncertain. The Chinese economy has embarked on a new phase of economic development, and with the sustained release of synergies from a series of policies and measures, the planned targets are expected to be attainable. The Company will strive to advance steady business development, deepen integration with a view to focus on shareholder value, and solidify its development foundation. Meanwhile, the Company will continue to adhere to the principle of prudent financial management, enhance its core competitiveness, and remains confident in its future development.

# Management Discussion and Analysis

## LIQUIDITY, CAPITAL RESOURCES AND PRINCIPAL RISK

As at 30 June 2025, the Group's total cash on hand and total bank borrowings stood at approximately HK\$5,909.6 million and approximately HK\$1,972.8 million respectively (31 December 2024: approximately HK\$6,272.1 million and HK\$1,989.8 million respectively).

The Group's sources of funding comprise cash flow generated from operations and loan facilities. The bank borrowings of HK\$1,942.2 million (31 December 2024: HK\$1,965.2 million) will mature within one year. During the period under review, the Group entered into a loan agreement with commercial bank in Hong Kong, pursuant to which loan facility of up to HK\$100 million were made available to the Group subject to floating rates with a spread of 1.5% over HIBOR of relevant interest periods. The gearing ratio as measured by total borrowings to shareholders' funds was at approximately 15.3% as at 30 June 2025 (31 December 2024: approximately 15.8%).

Of the total HK\$1,972.8 million bank borrowings outstanding as at 30 June 2025, HK\$1,918 million were subject to floating rates with spread of 1.4% to 1.6% over HIBOR of relevant interest periods, of which the amount of HK\$1,718 million outstanding is linked to the sustainability performance of the Group's environmental, social and governance performance metrics, which may be reduced depending on the extent of pre-determined key performance indicators being met, and RMB50 million (equivalent to approximately HK\$54.8 million) of bank borrowings were fixed-rates debts with annual rates at 2.6% to 3.1%.

As at 30 June 2025, 97% (31 December 2024: 96%) of the Group's total bank borrowings was denominated in Hong Kong dollar, 3% (31 December 2024: 4%) was denominated in Renminbi.

The Group's activities expose it to a variety of financial risks. The major financial assets and financial liabilities of the Group include cash and cash equivalents, time deposits with maturity over three months, structure deposits, entrusted deposits, other financial assets and bank borrowings. The Group's financial risk management is aimed at mitigating the impact of fluctuations in interest rates and exchange rates on the Group's overall financial position and to minimise the Group's interest rate, foreign currency and credit risk exposures. The Group regularly reviews its liquidity and financing requirements to ensure that sufficient financial resources are maintained to cover the funding needs.

During the period under review, the Group has not entered into any derivative contracts or hedging transactions. The Group manages its foreign currency risk by closely reviewing the movement of the foreign currency rate and shall consider hedging foreign currency exposure should the need arise.

# Management Discussion and Analysis

## EMPLOYEES AND REMUNERATION POLICIES

During the period under review, the Group had a total of approximately 2,735 employees of which approximately 257 were management personnel and 904 were technical staff, with the balance being production workers.

The Group contributes to the employee pension scheme established by the PRC Government which undertakes to assume the retirement benefit obligations of all existing and future retired employees of the Group in the PRC. The Group also contributes to the mandatory provident fund scheme for its Hong Kong employees. The contributions are based on a fixed percentage of the members' salaries. Meanwhile, certain employees and employee groups of the Group's subsidiary in the PRC are also eligible for the relevant restricted share incentive scheme. During the period under review, the Group had no forfeited contributions under the retirement benefits scheme that might be used by the Group to reduce the existing level of contributions (31 December 2024: Nil).

## CHARGE ON ASSETS

As at 30 June 2025, restricted bank balances of HK\$59.4 million and property, plant and equipment with carrying amounts of HK\$55.6 million were respectively pledged to financial institutions by the Group to secure general banking facilities.

## LITIGATION

As disclosed in the 2024 annual report of the Company (terms defined therein shall have the same meanings when used here), the Higher People's Court of Tianjin had revoked the appeals from both Central Pharmaceutical and the Agent. Thus, the First Judgement remains unchanged and is final. The management of the Group maintains the opinion that such litigation has no material adverse effect on the financial position of the Group.

## DIRECTORS' INTERESTS

As at 30 June 2025, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register required to be kept under section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for the Securities Transactions by Directors of Listed Issuers (the “Model Code”).

## DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 30 June 2025 was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements that would enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## SHARE SCHEME

The Company and its subsidiaries does not have any share scheme under Chapter 17 of the Listing Rules.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2025, the following persons or corporations, other than the directors or chief executive of the Company, had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of shareholder	notes	Capacity	Number of shares held	Approximate percentage of total issued shares
Tianjin TEDA Investment Holding Co., Ltd. (天津泰達投資控股有限公司) (“TEDA Holding”)	1&2	Interest of controlled corporation	673,759,143	62.81%
Tianjin TEDA Industrial Group Co., Ltd. (天津泰達實業集團有限公司) (“TEDA Industrial”)	1&2	Interest of controlled corporation	673,759,143	62.81%
Tianjin Bohai State-owned Assets Management Co., Ltd. (天津渤海國有資產經營管理有限公司) (“Tianjin Bohai”)	1&2	Interest of controlled corporation	673,759,143	62.81%
Tsinlien Group Company Limited (津聯集團有限公司) (“Tsinlien”)	1&3	Direct beneficial interest and interest of controlled corporation	673,759,143	62.81%

## Other Information

### SUBSTANTIAL SHAREHOLDERS' INTERESTS *(continued)*

notes:

1. All interests stated above represent long positions.
2. Tsinlien is a direct wholly-owned subsidiary of Tianjin Bohai, which in turn is a direct wholly-owned subsidiary of TEDA Industrial. TEDA Industrial is a non-wholly owned subsidiary of TEDA Holding. By virtue of the SFO, TEDA Holding, TEDA Industrial and Tianjin Bohai are deemed to be interested in the same parcel of shares of the Company in which Tsinlien is interested.
3. As at 30 June 2025, Tsinlien directly held 22,960,000 shares of the Company and its wholly-owned subsidiaries, namely Tianjin Investment Holdings Limited and Tsinlien Investment Limited held 570,039,143 shares and 80,760,000 shares of the Company respectively. By virtue of the SFO, Tsinlien is deemed to have an interest in the shares of the Company in which Tianjin Investment Holdings Limited and Tsinlien Investment Limited are interested.

Save as disclosed above, as at 30 June 2025, the Company had not been notified by any person or corporation, other than the directors or chief executive of the Company, who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

### CORPORATE GOVERNANCE

The Company has complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) throughout the six months ended 30 June 2025.

The Board will continue to monitor and review the Company’s corporate governance practices and procedures and make necessary changes when it considers appropriate.

### COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct for directors’ securities transactions. Having made specific enquiry, all the directors have confirmed that they have complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2025.

The Company has also established written guidelines regarding securities transaction on terms no less exacting than the Model Code for senior management and specific individuals who may have access to price sensitive information in relation to the securities of the Company.

### UPDATES IN DIRECTORS' INFORMATION

1. Mr. Xia Binhui has been appointed as non-executive director of Binhai Investment Company Limited (Stock Code: 2886) with effect from 19 June 2025.
2. Mr. Sun Lijun has been appointed as chairman of Tianjin Jinjiu Group Co., Ltd. (天津津酒集團有限公司), a non-wholly owned subsidiary of TEDA Industrial, with effect from 29 September 2024.
3. Mr. Lau Ka Keung has been appointed as independent non-executive director of West China Cement Limited (Stock Code: 2233) with effect from 24 March 2025.
4. Mr. Sin Hendrick has resigned as independent non-executive director of China Tower Corporation Limited (Stock Code: 788) with effect from 23 July 2025.

Save as disclosed above, there were no other changes in information of the directors of the Company subsequent to the date of 2024 annual report of the Company which required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

### REVIEW BY AUDIT COMMITTEE

At the request of the Audit Committee of the Company, the Group's independent auditor has carried out a review of the unaudited condensed consolidated financial statements 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. The Audit Committee had reviewed the accounting principles and practices adopted by the Group and discussed with the management the effectiveness of the Company's risk management (including ESG risks) and internal control systems, auditing and financial reporting matters including the review of unaudited condensed consolidated financial statements for the six months ended 30 June 2025.

The Audit Committee is chaired by Ms. Ng Yi Kum, Estella and includes three other members, Mr. Wong Shiu Hoi, Peter, Mr. Lau Ka Keung and Mr. Sin Hendrick.

## Other Information

### DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

- (i) On 7 December 2022, the Company entered into a facility agreement (the “**2022 Facility Agreement**”) with a syndicate of banks as lenders (the “**Banks**”) in respect of a term loan facility (with a lender accession option) of up to HK\$2,500 million for a period of 36 months commencing from the date of utilisation.

Pursuant to the 2022 Facility Agreement, it will be an event of default, inter alia, if:

- (i) the State-owned Assets Supervision and Administration Commission of the Tianjin Municipal People’s Government (“**Tianjin SASAC**”) ceases to maintain a majority shareholdings ownership directly or indirectly in the Company of more than 50%; or (ii) the Company ceases to be under the direct or indirect management control of Tsinlien.

In case of an occurrence of an event of default, the Banks may by notice to the Company: (a) cancel the total commitments or any part(s) thereof; (b) declare that the loans or any relevant part thereof, together with accrued interest, and all other amounts accrued or outstanding be immediately due and payable; and/or (c) declare that the loans or any relevant part thereof be payable on demand.

- (ii) On 1 February 2023, the Company entered into a facility letter (the “**2023 Facility Letter**”) with a bank as lender (the “**2023 Facility Lender**”) in respect of a revolving loan facility of HK\$100 million (the “**2023 Facility**”). The 2023 Facility has no fixed term and is subject to review at any time by the 2023 Facility Lender.

Accordingly to the 2023 Facility Letter, the Company undertakes, among others, that the Tianjin SASAC shall remain as the ultimate beneficial owner of the Company and maintain a majority shareholding ownership directly or indirectly in the Company of more than 50%.

If violation of the relevant undertakings under the 2023 Facility Letter occurs, the 2023 Facility Lender may suspend, withdraw or make demand for repayment of the whole or any part of the 2023 Facility at any time or determine whether or not to permit drawings in relation to the 2023 Facility.

### DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES *(continued)*

- (iii) On 11 December 2024, the Company entered into a facility letter (the “**2024 Facility Letter**”) with a bank as lender (the “**2024 Facility Lender**”) in respect of a revolving loan facility of HK\$100 million (the “**2024 Facility**”) for a period of 12 months from the date of acceptance of the 2024 Facility Letter.

According to the 2024 Facility Letter, the Company undertakes, among others, that the Tianjin Municipal People’s Government shall maintain not less than 50% direct or indirect majority shareholding ownership in the Company, and the Company shall remain under direct or indirect management control of Tsinlien.

If violation of the relevant undertakings under the 2024 Facility Letter occurs, the 2024 Facility Lender shall have the liberty to execute its rights under the 2024 Facility Letter, related loan documents or any applicable terms and conditions for satisfying the liabilities of the Company.

- (iv) On 30 May 2025, the Company entered into a facility letter (the “**2025 Facility Letter**”) with a bank as lender (the “**2025 Facility Lender**”) in respect of an uncommitted revolving loan facility of HK\$100 million for a period of one year after the acceptance of the 2025 Facility Letter.

According to the 2025 Facility Letter, the Company undertakes, among others, that the Tianjin SASAC shall remain as the ultimate beneficial owner of the Company and maintain more than 50% of the shareholding ownership, directly or indirectly, in the Company.

If violation of the relevant undertakings under the 2025 Facility Letter occurs, the Company shall on demand indemnify the 2025 Facility Lender against any cost, loss or liability incurred by the 2025 Facility Lender.

As at 30 June 2025, the above specific performance obligations imposed on the controlling shareholder(s) of the Company continue to exist.

## Other Information

### INTERIM DIVIDEND

The Board has declared an interim dividend of HK5.18 cents per share for the six months ended 30 June 2025 (30 June 2024: HK5.18 cents per share) to the shareholders whose names appear on the Company's register of members on 26 September 2025. The interim dividend will be paid on 31 October 2025.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 24 September 2025 (Wednesday) to 26 September 2025 (Friday), both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 23 September 2025 (Tuesday).

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

By Order of the Board

**Teng Fei**

*Chairman and Executive Director*

Hong Kong, 28 August 2025

# Report on Review of Condensed Consolidated Financial Statements

## TO THE BOARD OF DIRECTORS OF TIANJIN DEVELOPMENT HOLDINGS LIMITED

天津發展控股有限公司

*(incorporated in Hong Kong with limited liability)*

### INTRODUCTION

We have reviewed the condensed consolidated financial statements of Tianjin Development Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 5 to 38, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other 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**”) as 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” as issued by the HKICPA. A review of these condensed consolidated financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



# Report on Review of Condensed Consolidated Financial Statements

## 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

28 August 2025