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## **ALLIED GROUP LIMITED**

**(聯合集團有限公司)**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 373)**

### **UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE, 2025**

The board of directors (“Board”) of Allied Group Limited (“Company”) is pleased to announce that the unaudited condensed consolidated results of the Company and its subsidiaries (“Group”) for the six months ended 30th June, 2025 with the comparative figures for the corresponding period in 2024 are as follows:

#### **CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

*for the six months ended 30th June, 2025*

		<b>Six months ended 30th June,</b>	
		<b>2025</b>	<b>2024</b>
	<i>Notes</i>	<b>Unaudited HK\$ Million</b>	<b>Unaudited HK\$ Million</b>
Revenue	4	<b>10,889.9</b>	3,841.9
Net investment income	5	<b>1,138.4</b>	143.6
Other income		<b>52.1</b>	77.6
Total income		<b>12,080.4</b>	4,063.1
Cost of sales and other direct costs		<b>(4,374.6)</b>	(1,459.0)
Brokerage and commission expenses		<b>(55.5)</b>	(52.0)
Selling and marketing expenses		<b>(106.3)</b>	(100.4)
Administrative expenses		<b>(1,015.4)</b>	(956.4)
Changes in values of properties	6	<b>(780.9)</b>	(487.0)
Net exchange gain (loss)		<b>13.4</b>	(22.8)
Net impairment losses on financial assets	7	<b>(588.7)</b>	(436.1)
Other operating expenses		<b>(125.0)</b>	(126.7)
Finance costs	8	<b>(265.1)</b>	(402.2)
Share of results of associates		<b>210.8</b>	37.0
Share of results of joint ventures		<b>(28.4)</b>	(2.4)
Profit before taxation	9	<b>4,964.7</b>	55.1
Taxation	10	<b>(2,064.9)</b>	(163.3)
Profit (loss) for the period		<b>2,899.8</b>	(108.2)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONT'D)***for the six months ended 30th June, 2025*

	<i>Note</i>	<b>Six months ended 30th June,</b>	
		<b>2025</b>	2024
		<b>Unaudited</b>	Unaudited
		<b><i>HK\$ Million</i></b>	<b><i>HK\$ Million</i></b>
Attributable to:			
Owners of the Company		<b>1,690.7</b>	(213.8)
Non-controlling interests		<b>1,209.1</b>	105.6
		<b><u>2,899.8</u></b>	<b><u>(108.2)</u></b>
		<b><i>HK\$</i></b>	<b><i>HK\$</i></b>
<b>Earnings (loss) per share</b>	<b>11</b>		
Basic		<b><u>0.48</u></b>	<b><u>(0.06)</u></b>
Diluted		<b><u>0.48</u></b>	<b><u>(0.06)</u></b>

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30th June, 2025

	<b>Six months ended 30th June,</b>	
	<b>2025</b>	<b>2024</b>
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>HK\$ Million</b>	<b>HK\$ Million</b>
Profit (loss) for the period	<u>2,899.8</u>	<u>(108.2)</u>
Other comprehensive income (expenses):		
<i>Items that will not be reclassified to profit or loss:</i>		
Fair value gain (loss) on investments in equity instruments at fair value through other comprehensive income	106.0	(11.6)
Revaluation gain on properties transferred from owner-occupied properties to investment properties	0.9	49.3
Exchange differences arising on translation to presentation currency	273.6	(9.8)
Share of other comprehensive income of associates	3.1	–
Share of other comprehensive income (expenses) of joint ventures	<u>91.1</u>	<u>(0.2)</u>
	<u>474.7</u>	<u>27.7</u>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Investments in financial assets at fair value through other comprehensive income		
– Net fair value changes during the period	0.1	(3.9)
Reclassification adjustment to profit or loss on liquidation of subsidiaries	47.7	–
Exchange differences arising on translation of foreign operations	117.8	(39.1)
Share of other comprehensive income (expenses) of associates	18.5	(8.5)
Share of other comprehensive income (expenses) of joint ventures	<u>60.6</u>	<u>(5.2)</u>
	<u>244.7</u>	<u>(56.7)</u>
Other comprehensive income (expenses) for the period, net of tax	<u>719.4</u>	<u>(29.0)</u>
Total comprehensive income (expenses) for the period	<u>3,619.2</u>	<u>(137.2)</u>
Attributable to:		
Owners of the Company	2,107.7	(216.2)
Non-controlling interests	<u>1,511.5</u>	<u>79.0</u>
	<u>3,619.2</u>	<u>(137.2)</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*at 30th June, 2025*

		At 30th June, 2025 Unaudited HK\$ Million	At 31st December, 2024 Audited HK\$ Million
	<i>Notes</i>		
<b>Non-current assets</b>			
Investment properties		25,771.7	26,327.7
Property, plant and equipment		3,189.5	3,206.0
Right-of-use assets		659.1	710.3
Net investments in finance lease		3.1	0.5
Properties for development		102.6	96.5
Other assets – properties interests		51.4	51.1
Goodwill		132.9	132.9
Intangible assets		69.0	69.3
Interests in associates		3,660.0	3,387.9
Interests in joint ventures		10,862.1	10,752.3
Financial assets at fair value through other comprehensive income		553.9	426.5
Amounts due from associates		87.7	217.5
Amounts due from joint ventures		5,655.5	4,500.6
Loans and advances to consumer finance customers	13	3,784.3	3,712.7
Mortgage loans	14	313.8	539.2
Deferred tax assets		425.0	397.0
Financial assets at fair value through profit or loss		11,746.6	10,615.8
Term loans	15	218.8	41.9
Trade receivables, prepayments and other receivables	16	31.4	49.8
		<u>67,318.4</u>	<u>65,235.5</u>
<b>Current assets</b>			
Other inventories		69.7	73.9
Inventories of properties			
– under development		10,249.8	9,651.2
– completed		3,166.9	5,793.1
Financial assets at fair value through profit or loss		4,071.7	4,102.6
Loans and advances to consumer finance customers	13	6,850.4	6,815.7
Mortgage loans	14	1,257.0	1,439.6
Term loans	15	518.2	599.2
Trade receivables, prepayments and other receivables	16	985.6	1,042.4
Amounts due from brokers		582.4	427.3
Amounts due from associates		165.2	229.9
Amounts due from joint ventures		291.7	346.9
Financial assets at fair value through other comprehensive income		10.0	44.2
Tax recoverable		11.4	591.6
Pledged bank deposits		8.8	–
Bank deposits		2,811.1	2,426.2
Cash and cash equivalents		13,027.1	15,139.0
		<u>44,077.0</u>	<u>48,722.8</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)**  
*at 30th June, 2025*

		At 30th June, 2025 Unaudited HK\$ Million	At 31st December, 2024 Audited HK\$ Million
	Notes		
<b>Current liabilities</b>			
Trade payables, other payables and accruals	17	3,752.4	3,298.7
Contract liabilities		7,958.2	14,096.1
Financial liabilities at fair value through profit or loss		244.6	163.7
Amounts due to associates		12.7	12.6
Amounts due to brokers		70.9	88.5
Amounts due to joint ventures		1,826.0	1,866.5
Amounts due to non-controlling interests		0.2	0.2
Tax payable		3,648.5	2,186.5
Bank and other borrowings due within one year		9,395.3	11,066.9
Notes payable		53.6	156.1
Lease liabilities		131.6	139.4
Other liabilities		79.3	55.0
Provisions		68.1	61.8
		<u>27,241.4</u>	<u>33,192.0</u>
<b>Net current assets</b>		<u>16,835.6</u>	<u>15,530.8</u>
<b>Total assets less current liabilities</b>		<u>84,154.0</u>	<u>80,766.3</u>
<b>Capital and reserves</b>			
Share capital	18	2,221.7	2,221.7
Reserves		42,411.9	40,303.1
<b>Equity attributable to owners of the Company</b>		<u>44,633.6</u>	<u>42,524.8</u>
Shares held for employee ownership scheme		(32.7)	(25.6)
Employee share-based compensation reserve		3.7	5.1
Share of net assets of subsidiaries		24,422.7	23,262.9
<b>Non-controlling interests</b>		<u>24,393.7</u>	<u>23,242.4</u>
<b>Total equity</b>		<u>69,027.3</u>	<u>65,767.2</u>
<b>Non-current liabilities</b>			
Trade payables, other payables and accruals	17	37.2	–
Bank and other borrowings due after one year		6,196.7	5,783.2
Notes payable		2,829.3	2,893.9
Lease liabilities		152.0	187.2
Other liabilities		11.9	29.9
Contract liabilities		5.1	5.9
Rental deposits from tenants		17.4	17.3
Financial liabilities at fair value through profit or loss		50.5	139.2
Deferred tax liabilities		5,825.3	5,941.2
Provisions		1.3	1.3
		<u>15,126.7</u>	<u>14,999.1</u>
		<u>84,154.0</u>	<u>80,766.3</u>

*Notes:*

**1. DISCLOSURE IN ACCORDANCE WITH SECTION 436 OF THE HONG KONG COMPANIES ORDINANCE**

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

The Company has delivered the consolidated financial statements for the year ended 31st December, 2024 to the Registrar of Companies in accordance with 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. BASIS OF PREPARATION**

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

**3. ACCOUNTING POLICIES**

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

Except as disclosed below, other than the additional accounting policies resulting from application of amendments to HKFRS Accounting Standards, 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.

Net gain on financial assets and liabilities at fair value through profit or loss ("FVTPL") at HK\$1,088.3 million (2024: HK\$90.6 million) was previously presented below total income, and dividends income from listed and unlisted investments at HK\$50.1 million (2024: HK\$53.0 million) was previously included in revenue. Since 1st January, 2025, the Group presented these two sources of income under net investment income as part of total income so as to align with the presentation commonly adopted by industry peers. The change in presentation also provides information that is reliable and more relevant to the users of the financial statements. The information in the prior period is also reclassified so as to conform with current year's presentation.

## 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.

## 4. SEGMENTAL INFORMATION

Analysis of the Group's revenue and results by reportable and operating segments is as follows:

	Six months ended 30th June, 2025								
	Investment and finance HK\$ Million	Consumer finance HK\$ Million	Property development HK\$ Million	Property investment HK\$ Million	Property management HK\$ Million	Elderly care services HK\$ Million	Healthcare services HK\$ Million	Corporate and other operations HK\$ Million	Total HK\$ Million
Segment revenue	278.4	1,598.5	7,405.5	425.0	178.5	127.5	756.7	226.7	10,996.8
Less: inter-segment revenue	(25.3)	-	-	(32.0)	(0.4)	-	-	(49.2)	(106.9)
Segment revenue from external customers	<u>253.1</u>	<u>1,598.5</u>	<u>7,405.5</u>	<u>393.0</u>	<u>178.1</u>	<u>127.5</u>	<u>756.7</u>	<u>177.5</u>	<u>10,889.9</u>
Segment results	946.0	374.6	4,108.3	(439.4)	(3.6)	(13.3)	45.1	29.7	5,047.4
Finance costs									(265.1)
Share of results of associates	-	-	(0.4)	(42.9)	-	-	-	-	(43.3)
Share of results of associates (unallocated)									254.1
Share of results of joint ventures	22.6	-	167.7	(249.3)	27.8	-	-	2.8	(28.4)
Profit before taxation									4,964.7
Taxation									(2,064.9)
Profit for the period									<u>2,899.8</u>

Six months ended 30th June, 2024 (Restated)

	Investment and finance <i>HK\$ Million</i>	Consumer finance <i>HK\$ Million</i>	Property development <i>HK\$ Million</i>	Property investment <i>HK\$ Million</i>	Property management <i>HK\$ Million</i>	Elderly care services <i>HK\$ Million</i>	Healthcare services <i>HK\$ Million</i>	Corporate and other operations <i>HK\$ Million</i>	Total <i>HK\$ Million</i>
Segment revenue	402.6	1,567.7	319.1	442.3	160.1	89.2	800.4	169.2	3,950.6
Less: inter-segment revenue	(14.4)	–	–	(46.8)	(0.4)	–	–	(47.1)	(108.7)
Segment revenue from external customers	<u>388.2</u>	<u>1,567.7</u>	<u>319.1</u>	<u>395.5</u>	<u>159.7</u>	<u>89.2</u>	<u>800.4</u>	<u>122.1</u>	<u>3,841.9</u>
Segment results	245.3	400.3	(91.4)	(206.2)	(2.6)	(21.8)	82.6	16.5	422.7
Finance costs									(402.2)
Share of results of associates	–	–	(1.3)	(26.8)	–	–	–	–	(28.1)
Share of results of associates (unallocated)									65.1
Share of results of joint ventures	25.8	–	62.8	(107.1)	11.8	–	–	4.3	<u>(2.4)</u>
Profit before taxation									55.1
Taxation									<u>(163.3)</u>
Loss for the period									<u>(108.2)</u>

Inter-segment transactions have been entered into on terms agreed by the parties concerned.



Revenue from contracts with customers are included in the segment revenue as follows:

	Six months ended 30th June, 2025								
	Investment and finance	Consumer finance	Property development	Property investment	Property management	Elderly care services	Healthcare services	Corporate and other operations	Total
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Sales of completed properties	-	-	7,405.5	-	-	-	-	-	7,405.5
Sales of building materials	-	-	-	-	-	-	-	117.7	117.7
Hotel operations	-	-	-	26.8	-	-	-	-	26.8
Management services	-	-	-	2.7	178.0	-	-	1.3	182.0
Advisory and service income, commission income and others	18.0	58.0	-	-	-	-	-	-	76.0
Elderly care services	-	-	-	-	-	127.4	-	-	127.4
Hospital fees and charges	-	-	-	-	-	-	756.7	-	756.7
Revenue from contracts with customers	18.0	58.0	7,405.5	29.5	178.0	127.4	756.7	119.0	8,692.1
	Six months ended 30th June, 2024								
	Investment and finance	Consumer finance	Property development	Property investment	Property management	Elderly care services	Healthcare services	Corporate and other operations	Total
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Sales of completed properties	-	-	319.1	-	-	-	-	-	319.1
Sales of building materials	-	-	-	-	-	-	-	43.9	43.9
Hotel operations	-	-	-	25.8	-	-	-	-	25.8
Management services	-	-	-	2.6	159.4	-	-	1.1	163.1
Advisory and service income, commission income and others	8.5	40.2	-	-	-	-	-	16.1	64.8
Elderly care services	-	-	-	-	-	98.7	-	-	98.7
Hospital fees and charges	-	-	-	-	-	-	800.4	-	800.4
Logistics services	-	-	-	-	-	-	-	15.8	15.8
Revenue from contracts with customers	8.5	40.2	319.1	28.4	159.4	98.7	800.4	76.9	1,531.6

## 5. NET INVESTMENT INCOME

	Six months ended 30th June,	
	2025	2024
	<i>HK\$ Million</i>	<i>HK\$ Million</i>
		(Restated)
Net realised and unrealised gain (loss) on financial assets and liabilities at FVTPL	1,033.8	(63.9)
Distribution income from unlisted investments	54.5	154.5
Dividends from listed investments	40.4	38.0
Dividends from unlisted investments	9.7	15.0
	<u>1,138.4</u>	<u>143.6</u>

## 6. CHANGES IN VALUES OF PROPERTIES

	Six months ended 30th June,	
	2025	2024
	<i>HK\$ Million</i>	<i>HK\$ Million</i>
Changes in values of properties comprise:		
Net decrease in fair value of investment properties	(763.5)	(475.3)
Impairment loss (recognised) reversed for hotel property	(0.8)	0.3
Impairment loss recognised for leasehold land and buildings	(11.8)	(5.0)
Fair value gain on transfer of inventories of completed properties to investment properties	1.7	1.1
Impairment loss recognised on properties under development	<u>(6.5)</u>	<u>(8.1)</u>
	<u>(780.9)</u>	<u>(487.0)</u>

## 7. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Six months ended 30th June,	
	2025	2024
	<i>HK\$ Million</i>	<i>HK\$ Million</i>
Loans and advances to consumer finance customers		
Net impairment losses	545.7	489.5
Recoveries of amounts previously written off	(96.4)	(103.9)
	<u>449.3</u>	<u>385.6</u>
Mortgage loans		
Net impairment losses	<u>50.0</u>	<u>33.8</u>
Term loans		
Net impairment losses	<u>88.7</u>	<u>13.4</u>
Amounts due from associates		
Net (reversal) recognition of impairment losses	<u>(0.6)</u>	<u>2.1</u>
Trade and other receivables		
Net impairment losses	<u>1.5</u>	<u>1.6</u>
Financial assets at fair value through other comprehensive income		
Net reversal of impairment losses	<u>(0.2)</u>	<u>(0.4)</u>
	<u>588.7</u>	<u>436.1</u>

## 8. FINANCE COSTS

	Six months ended 30th June,	
	2025	2024
	<i>HK\$ Million</i>	<i>HK\$ Million</i>
Total finance costs included in:		
Cost of sales and other direct costs	214.9	253.9
Finance costs	<u>265.1</u>	<u>402.2</u>
	<u>480.0</u>	<u>656.1</u>

## 9. PROFIT BEFORE TAXATION

	<b>Six months ended 30th June,</b>	
	<b>2025</b>	2024
	<b><i>HK\$ Million</i></b>	<i>HK\$ Million</i>
Profit before taxation has been arrived at after charging:		
Amortisation of intangible assets – computer software	<b>2.7</b>	2.7
Amortisation of other assets – properties interests	<b>0.2</b>	0.2
Amortisation of properties for development	–	4.7
Cost of inventories recognised as expenses	<b>3,459.8</b>	604.0
Depreciation of property, plant and equipment	<b>92.1</b>	105.7
Less: amount capitalised in properties under development	<u>–</u>	<u>(0.4)</u>
	<b>92.1</b>	105.3
Depreciation of right-of-use assets	<b>86.0</b>	91.6
Net write-down of inventories of completed properties (included in cost of sales)	<b>38.5</b>	41.7
and after crediting:		
Gain on disposal of a subsidiary (included in other income)	<u>–</u>	<u>1.2</u>

## 10. TAXATION

	Six months ended 30th June,	
	2025	2024
	<i>HK\$ Million</i>	<i>HK\$ Million</i>
The income tax charged comprises:		
Current tax		
Hong Kong	95.9	90.0
People's Republic of China ("PRC")	770.3	86.6
Other jurisdictions	0.1	–
Land Appreciation Tax	1,403.9	42.7
	<u>2,270.2</u>	<u>219.3</u>
(Over) under provision in prior years	(6.5)	44.1
	<u>2,263.7</u>	<u>263.4</u>
Deferred tax	(198.8)	(100.1)
	<u>2,064.9</u>	<u>163.3</u>

## 11. EARNINGS (LOSS) PER SHARE

The calculation of basic and diluted earnings (loss) per share attributable to owners of the Company is based on the following information:

	Six months ended 30th June,	
	2025	2024
	<i>HK\$ Million</i>	<i>HK\$ Million</i>
<u>Earnings (loss)</u>		
Earnings (loss) for the purpose of basic earnings (loss) per share (profit (loss) attributable to owners of the Company)	1,690.7	(213.8)
Adjustments to profit in respect of adjustments under the employee ownership scheme of a subsidiary	(0.3)	–
	<u>1,690.4</u>	<u>(213.8)</u>
Earnings (loss) for the purpose of diluted earnings (loss) per share	<u>1,690.4</u>	<u>(213.8)</u>
	<i>Million shares</i>	<i>Million shares</i>
<u>Number of shares</u>		
Weighted average number of shares in issue for the purpose of basic and diluted earnings (loss) per share	3,513.7	3,513.7

## 12. DIVIDENDS

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

## 13. LOANS AND ADVANCES TO CONSUMER FINANCE CUSTOMERS

	At 30th June, 2025 <i>HK\$ Million</i>	At 31st December, 2024 <i>HK\$ Million</i>
Loans and advances to consumer finance customers		
Hong Kong	9,226.3	9,199.4
PRC	<u>2,086.2</u>	<u>1,942.3</u>
	11,312.5	11,141.7
Less: impairment allowance	<u>(677.8)</u>	<u>(613.3)</u>
	<u>10,634.7</u>	<u>10,528.4</u>
Analysed for reporting purposes as:		
Non-current assets	3,784.3	3,712.7
Current assets	<u>6,850.4</u>	<u>6,815.7</u>
	<u>10,634.7</u>	<u>10,528.4</u>

The following is an aging analysis for the loans and advances to consumer finance customers (net of impairment allowance) that are past due at the reporting date:

	At 30th June, 2025 <i>HK\$ Million</i>	At 31st December, 2024 <i>HK\$ Million</i>
Less than 31 days past due	556.2	654.2
31 to 60 days	93.8	168.7
61 to 90 days	25.6	36.4
91 to 180 days	12.8	6.7
Over 180 days	<u>109.9</u>	<u>88.1</u>
	<u>798.3</u>	<u>954.1</u>

## 14. MORTGAGE LOANS

	At 30th June, 2025 <i>HK\$ Million</i>	At 31st December, 2024 <i>HK\$ Million</i>
Mortgage loans		
Hong Kong	1,786.9	2,146.2
Less: impairment allowance	<u>(216.1)</u>	<u>(167.4)</u>
	<b><u>1,570.8</u></b>	<b><u>1,978.8</u></b>
Analysed for reporting purposes as:		
Non-current assets	313.8	539.2
Current assets	<u>1,257.0</u>	<u>1,439.6</u>
	<b><u>1,570.8</u></b>	<b><u>1,978.8</u></b>

The following is an aging analysis for the mortgage loans that are past due at the reporting date:

	At 30th June, 2025 <i>HK\$ Million</i>	At 31st December, 2024 <i>HK\$ Million</i>
Less than 31 days past due	61.7	102.4
31 to 60 days	5.2	31.7
61 to 90 days	147.5	81.2
91 to 180 days	46.3	231.6
Over 180 days	<u>559.0</u>	<u>481.8</u>
	<b><u>819.7</u></b>	<b><u>928.7</u></b>

## 15. TERM LOANS

	At 30th June, 2025 <i>HK\$ Million</i>	At 31st December, 2024 <i>HK\$ Million</i>
Secured term loans	1,557.2	1,375.5
Unsecured term loans	<u>111.5</u>	<u>108.4</u>
	1,668.7	1,483.9
Less: impairment allowance	<u>(931.7)</u>	<u>(842.8)</u>
	<b><u>737.0</u></b>	<b><u>641.1</u></b>
Analysed for reporting purposes as:		
Non-current assets	218.8	41.9
Current assets	<u>518.2</u>	<u>599.2</u>
	<b><u>737.0</u></b>	<b><u>641.1</u></b>

No aging analysis is disclosed for term loans financing, as, in the opinion of the management, the aging analysis does not give additional value in the view of the nature of the term loans financing business.



## 16. TRADE RECEIVABLES, PREPAYMENTS AND OTHER RECEIVABLES

The following is an aging analysis of the trade and other receivables based on the date of invoice/contract note at the reporting date:

	At 30th June, 2025 <i>HK\$ Million</i>	At 31st December, 2024 <i>HK\$ Million</i>
Less than 31 days	310.7	380.5
31 to 60 days	67.2	60.6
61 to 90 days	44.4	13.8
91 to 180 days	19.4	19.4
Over 180 days	120.3	96.2
	<u>562.0</u>	<u>570.5</u>
Trade and other receivables without aging	340.2	385.4
Less: impairment allowances	(73.4)	(74.9)
	<u>828.8</u>	<u>881.0</u>
Trade and other receivables at amortised cost	188.2	211.2
Prepayments	<u>1,017.0</u>	<u>1,092.2</u>
	<u>1,017.0</u>	<u>1,092.2</u>
Analysed for reporting purposes as:		
Non-current assets	31.4	49.8
Current assets	985.6	1,042.4
	<u>1,017.0</u>	<u>1,092.2</u>

## 17. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

The following is an aging analysis of the trade payables, other payables and accruals based on the date of invoice/contract note at the reporting date:

	At 30th June, 2025 <i>HK\$ Million</i>	At 31st December, 2024 <i>HK\$ Million</i>
Less than 31 days/repayable on demand	1,773.8	632.3
31 to 60 days	72.2	174.3
61 to 90 days	177.6	39.0
91 to 180 days	87.3	202.5
Over 180 days	430.6	1,037.2
	<b>2,541.5</b>	2,085.3
Accrued staff costs, other accrued expenses and other payables without aging	1,248.1	1,213.4
	<b>3,789.6</b>	3,298.7
Analysed for reporting purposes as:		
Current liabilities	3,752.4	3,298.7
Non-current liabilities	37.2	–
	<b>3,789.6</b>	3,298.7

## 18. SHARE CAPITAL

	Number of shares	Amount <i>HK\$ Million</i>
Issued and fully paid:		
At 1st January, 2024, 31st December, 2024, 1st January, 2025 and 30th June, 2025	3,513,684,360	2,221.7

## 19. EVENTS AFTER THE REPORTING PERIOD

- (a) On 19th May, 2025, Wah Cheong Development (B.V.I.) Limited (“Wah Cheong”, an indirect wholly-owned subsidiary of the Company) announced that Morton Securities Limited (an independent financial service company), for and on behalf of Wah Cheong, made the conditional voluntary cash offer to acquire all issued shares of Dragon Mining Limited (“DML”, a company listed on the Stock Exchange) at an offer price of HK\$2.60 per DML share. As none of the conditions had been fulfilled or waived, the offer has not become unconditional and has lapsed on 8th August, 2025. The details of the transaction were set out in (i) the announcements dated 19th May, 2025 and 2nd June, 2025 jointly issued by the Company, Wah Cheong, APAC Resources Limited (“APAC”, a listed associate of the Group), Allied Properties Resources Limited (an indirect wholly-owned subsidiary of APAC) and DML; (ii) the offer document dated 2nd June, 2025 issued by Wah Cheong; (iii) the announcements dated 16th June, 2025, 23rd June, 2025, 1st August, 2025 and 8th August, 2025 jointly issued by the Company, Wah Cheong and DML; and (iv) the response document dated 23rd June, 2025 issued by DML.
- (b) Reference was made to a joint venture of Tian An China Investments Company Limited (“TACI”, an indirect non wholly-owned subsidiary of the Company) group, namely 上海瑞天里企業管理有限公司, which successfully won the tender through a public auction for the acquisition of 50% of equity interest of a company, namely 上海永業城市更新建設發展有限公司 (“Project Company”), which is the sole owner of the land use rights of three parcels of land situated in Shanghai, the PRC, at a consideration of approximately RMB2,893.7 million on 23rd June, 2025. Subsequent to the end of the reporting period, several banking institutions that have been providing credit facilities to the Project Company have provided their unanimous consent to the transfer of 50% of equity interest of the Project Company, which is one of the conditions of the tender. Details of the transaction were disclosed in the joint announcement of the Company and TACI dated 19th June, 2025 and the circular of the Company dated 23rd July, 2025.

## INTERIM DIVIDEND

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

## FINANCIAL HIGHLIGHTS

	<b>Six months ended 30th June,</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$ Million</b>	<b>HK\$ Million</b>
Revenue	<b>10,889.9</b>	3,841.9
Profit (loss) for the period attributable to owners of the Company	<b>1,690.7</b>	(213.8)
Equity attributable to owners of the Company at the end of the reporting period	<b>44,633.6</b>	43,322.7
Return on equity attributable to owners of the Company	<b>3.8%</b>	(0.5)%
Earnings (loss) per share		
– Basic	<b>HK\$0.48</b>	HK\$(0.06)
– Diluted	<b>HK\$0.48</b>	HK\$(0.06)
	<b>At</b>	<b>At</b>
	<b>30th June, 2025</b>	<b>31st December, 2024</b>
Net asset value per share attributable to owners of the Company	<b>HK\$12.70</b>	HK\$12.10
Gearing ratio	<b>5.9%</b>	5.5%

## FINANCIAL REVIEW

### Financial Results

The revenue of the Group for the period was HK\$10,889.9 million (2024: HK\$3,841.9 million). The increase in revenue was mainly attributable to revenue recognition arising from the handover of units sold to customers of Phase 2C of The One Tian An Place, a residential project in Shanghai, China, in early 2025 by Tian An China Investments Company Limited (“TACI”).

The profit attributable to owners of the Company for the period was HK\$1,690.7 million, as compared to a loss of HK\$213.8 million for the same period in 2024. The significant improvement in financial performance of the Group was mainly due to the increase in: (i) profit attributable to Sun Hung Kai & Co. Limited (“SHK”) and (ii) profit attributable to TACI instead of an attributable loss for the same period in 2024.

### *Earnings (loss) per share*

Basic earnings per share amounted to HK\$0.48 for the period, as compared to the basic loss per share of HK\$0.06 for the same period in 2024.

### **Capital Management and Treasury Policy**

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debts (which include bank and other borrowings and notes payable) and equity attributable to owners of the Company comprising issued share capital and reserves. The Group's management reviews the capital structure on an ongoing basis using gearing ratio, which is the net debt comprising the Group's bank and other borrowings and notes payable less pledged bank deposits, bank deposits and cash and cash equivalents divided by equity attributable to owners of the Company.

In addition, the Group's treasury policy is to ensure that funding requirements for capital commitments, investments and operations of the Group can be fulfilled and liquidity can be managed to ensure that fund inflows are matched against all maturing repayment obligations to achieve maximum harmony on cash flow management. The credit facilities of the Group are reviewed from time to time and new credit facilities will be obtained or renewed. The Group manages its liquidity position to ensure a prudent and adequate liquidity ratio. This is achieved by a transparent and collective monitoring approach across the Group involving the management of the relevant group companies.

### **Financial Resources, Liquidity and Capital Structure**

At the end of the reporting period, the equity attributable to owners of the Company amounted to HK\$44,633.6 million, representing an increase of HK\$2,108.8 million from that of 31st December, 2024. The Group maintained a strong cash and bank balance position and had cash and bank balances of approximately HK\$15,847.0 million as at 30th June, 2025 (at 31st December, 2024: HK\$17,565.2 million). The Group's bank and other borrowings and notes payable totalling HK\$18,474.9 million (at 31st December, 2024: HK\$19,900.1 million) of which the portion repayable within one year was HK\$9,448.9 million (at 31st December, 2024: HK\$11,223.0 million) and the remaining long-term portion was HK\$9,026.0 million (at 31st December, 2024: HK\$8,677.1 million). The liquidity of the Group as evidenced by the current ratio (current assets/current liabilities) was 1.62 times (at 31st December, 2024: 1.47 times). The Group's gearing ratio (net bank and other borrowings and notes payable/equity attributable to the owners of the Company) was 5.9% (at 31st December, 2024: 5.5%).

	At 30th June, 2025 <i>HK\$ Million</i>	At 31st December, 2024 <i>HK\$ Million</i>
<b>Bank and other borrowings</b>		
Bank loans	15,062.4	16,247.5
Other borrowings	<u>529.6</u>	<u>602.6</u>
	<u>15,592.0</u>	<u>16,850.1</u>
Amount repayable within one year shown under current liabilities	9,395.3	11,066.9
Amount due after one year	<u>6,196.7</u>	<u>5,783.2</u>
	<u>15,592.0</u>	<u>16,850.1</u>
<b>Notes payable</b>		
5.00% US dollar notes ^	2,882.9	2,949.7
Asset backed notes	<u>–</u>	<u>100.3</u>
	<u>2,882.9</u>	<u>3,050.0</u>
Analysed for reporting purpose		
– Current liabilities	53.6	156.1
– Non-current liabilities	<u>2,829.3</u>	<u>2,893.9</u>
	<u>2,882.9</u>	<u>3,050.0</u>
<b>Total borrowings</b>	<u>18,474.9</u>	<u>19,900.1</u>

^ Listed on The Stock Exchange of Hong Kong Limited

At the end of the reporting period, total borrowings accounted for around 19% were at fixed rates. There are no known seasonal factors in the Group's borrowing profile.

At the end of the reporting period, the Group had HK\$15,592.0 million (at 31st December, 2024: HK\$16,850.1 million) in bank and other borrowings, which were denominated in HK dollars, Australian dollars, British pounds, Renminbi and US dollars. The Group had HK\$15,847.0 million (at 31st December, 2024: HK\$17,565.2 million) in pledged bank deposits, bank deposits, bank balances and cash, which were mainly denominated in HK dollars, Australian dollars, British pounds, Euro, Renminbi and US dollars.

The banking facilities of the Group are reviewed from time to time and new banking facilities will be obtained or renewed to meet the funding requirements for capital commitments, investments and operations of the Group.

### **Material Acquisitions and Disposals**

There were no material acquisitions and disposals of subsidiaries, associates and joint ventures for the six months ended 30th June, 2025 and up to the date of this announcement.

### **Segment Information**

Detailed segmental information in respect of the revenue and profit or loss is shown in note 4 to the condensed consolidated financial information.

### **Risk of Foreign Exchange Fluctuation**

The Group is required to maintain foreign currency exposure to cater for its recurring operating activities and present and potential investment activities, meaning it will be subject to reasonable exchange rate exposure. However, the Group will closely monitor this risk exposure as required.

The Group's foreign exchange risk primarily arises from currency exposures originating from proprietary trading positions, private equity investments, real estate investments, loans and advances and bank and other borrowings denominated in foreign currencies, mainly in Australian dollars, British pounds, Euro, Japanese yen, Malaysian ringgit, Renminbi and Thai baht. Foreign exchange risk is managed and monitored by senior management of the relevant group companies. The risk arises from open currency positions is subject to ratios that are monitored and reported weekly. Should the Group consider that its exposure to foreign currency risk justifies hedging, the Group may use forward or hedging contracts to reduce the risks.

## Contingent Liabilities

- (a) Property for development that is held by a joint venture of the Group with total carrying value of approximately HK\$833.1 million is under idle land investigation by the local authority. The development progress cannot fully fulfill building covenants under the land grant contracts. The whole pieces of land of the joint venture were held under several land use right certificates. They are under phased construction stage and certain portions of them are under development, except for the portions which are retained for the remaining development of the whole project.

Property for development that is held by another joint venture of the Group with carrying value of approximately HK\$167.0 million had been identified as idle land by the local authority. The development of more than half of the piece of land was completed, except for the portions which are retained for the remaining development of the whole project. In particular, the construction work for Phase 3 Part 2 has started.

The Group is currently working diligently with joint venture partners to prevent the possible classification as idle land for those under idle land investigation and taking remedy action to prevent from prosecution for those had been identified as idle land, including negotiating the feasibility of development plans with local authorities. Based on legal advices, the Group has assessed the issue and in the opinion of the management of the Group, the economic outflows caused by the above cases are not probable.

- (b) As at 30th June, 2025, guarantees given to banks in respect of mortgage loans granted to property purchasers, loan facilities granted to or utilised by the joint ventures and an investee company classified as a financial asset at fair value through profit or loss (“FVTPL”) and a guarantee given to a government authority in respect of property development works amounted to approximately HK\$3,402.0 million. All the guarantees provided by the Group were requested by banks under normal commercial terms.



- (c) A legal action was taken against a subsidiary of TACI resulting in possible contingent liabilities of approximately HK\$35.4 million. The Group has assessed the claim and considers that the final outcome of the claim will not have material effect on the condensed consolidated financial statements of the Group.
- (d) A legal action was taken against an indirect wholly-owned subsidiary of Tian An Medicare Limited (“TAMC”, a listed subsidiary of TACI) resulting in possible contingent liabilities of approximately HK\$157.1 million. The Group, after seeking PRC legal advice, is of the view that the litigation has no merits and hence no material impact on the operations and financial position of the Group.

### **Pledge of Assets**

At 30th June, 2025, the following assets were pledged:

- (a) Certain of the Group’s property, plant and equipment, properties under development, inventories of completed properties, investment properties and right-of-use assets with an aggregate carrying value of HK\$20,441.8 million (at 31st December, 2024: HK\$19,387.0 million), bank deposits of HK\$8.8 million (at 31st December, 2024: nil), investment funds of HK\$1,496.9 million (at 31st December, 2024: nil) together with certain securities in respect of a listed subsidiary with investment cost of HK\$266.4 million (at 31st December, 2024: HK\$266.4 million) were pledged to secure loans and general banking facilities granted to the Group.
- (b) No mortgage loans receivable was pledged for a securitisation financing transaction (at 31st December, 2024: HK\$156.3 million).
- (c) The Group’s interest in a subsidiary with net asset value of HK\$4.1 million (at 31st December, 2024: HK\$3.3 million) and equity securities at FVTPL with carrying values of HK\$4.3 million (at 31st December, 2024: HK\$4.1 million) were pledged to a securities broker house for margin loan facilities granted to the Group.

### **Events after the Reporting Period**

Details regarding the events after the reporting period are set out in note 19 to the condensed consolidated financial information.

## OPERATIONAL REVIEW

### Financial Services

#### *Investment and Finance*

- The profit attributable to owners of SHK for the period was HK\$887.0 million, as compared to a profit of HK\$75.4 million for the same period in 2024.
- SHK's investment management business reported a pre-tax profit of HK\$785.6 million (2024: pre-tax loss of HK\$147.5 million as re-presented). Investment gain increased with contribution from nearly all asset classes.
- SHK's funds management business reported a pre-tax loss of HK\$5.0 million (2024: pre-tax profit of HK\$1.3 million).
- Sun Hung Kai Credit Limited reported a pre-tax profit of HK\$9.5 million (2024: HK\$25.0 million). Its gross loan balance was HK\$1.8 billion at the end of June 2025.

#### *Consumer Finance*

- Profit attributable to owners of United Asia Finance Limited ("UAF") for the period amounted to HK\$283.8 million (2024: HK\$291.4 million).
- In view of the challenging operating conditions in Mainland China, UAF continued to reduce operating costs and focused on its shift from unsecured to secured lending.
- In the first half of 2025, UAF's Hong Kong business generated growth in both profitability and transaction volume. UAF has tightened its measures to mitigate credit risks and manage loan charge-offs. UAF's "SIM" credit card (Simple Instant Money) operations are on track and attracted a substantial base of new customers with increase in transaction volume.
- As at 30th June, 2025, the consolidated consumer finance gross loan balance amounted to HK\$11.3 billion. There were 14 branches in Mainland China and 46 branches in Hong Kong.

## Properties

### *Hong Kong*

- Rental income from the Group's Hong Kong property portfolio was maintained at a steady level when compared to 2024.
- Allied Kajima Limited, holding various properties including Allied Kajima Building, Novotel Century Hong Kong hotel, Sofitel Philippine Plaza hotel, and AKI Hong Kong MGallery hotel, reported a higher loss for the period as compared with the loss for the same period in 2024 which was mainly attributable to higher fair value loss provisions for its property portfolio.

### *Mainland China*

- The profit attributable to owners of TACI reported by TACI itself was HK\$2,344.8 million (2024: HK\$78.1 million). However, the financial results of TACI for the period from the Company's perspective was a profit of HK\$1,995.3 million (2024: loss of HK\$166.3 million). When TACI became an indirect non wholly-owned subsidiary of the Company in October 2021, the Company performed a fair value assessment in accordance with relevant accounting standards which increased the value of the net assets of TACI in the books of the Company. This led to different cost bases for TACI and the Company.
- TACI's total rental income decreased by 3% as compared with same period of 2024.
- The Phase 3 of TACI's urban renewal project, Tian An Cloud Park, in Bantian residential district, Longgang, Shenzhen comprising a gross floor area of approximately 1,111,900 m<sup>2</sup> has commenced construction and is expected to be completed in stages from 2027 to 2028.
- The development of Phase 2C of The One Tian An Place, a residential project in Shanghai, has been completed at the end of 2024 and most of the units sold were handed over to customers in early 2025. The pre-sales of Phase 2B in 2024 and 2025 have also been a success and will provide steady contributions in the course of its phased development.
- Asiasec Properties Limited, the listed subsidiary of TACI, reported a loss of HK\$63.3 million (2024: loss of HK\$17.0 million) attributable to its shareholders.
- TAMC reported a profit of HK\$12.0 million (2024: HK\$21.7 million) attributable to its shareholders.

## *Services*

- Allied Services Hong Kong Limited which principally engages in the businesses of property management and elderly care services reported a profit of HK\$13.0 million for the period (2024: HK\$6.6 million).

## **Investment**

### *Resource Investments*

- At the end of the reporting period, the Group held approximately 47.3% interest in APAC Resources Limited (“APAC”). The Group recorded an increase in share of profit from APAC for the period as compared to the same period in 2024.

## **Employees**

The total number of headcount of the Group as at 30th June, 2025 was 6,061 (at 31st December, 2024: 5,751). The Group reviews remuneration packages from time to time. In addition to salary payments, other staff benefits include contributions to employee provident funds, medical subsidies and a discretionary bonus scheme.

## **BUSINESS OUTLOOK**

The financial problems of many sizeable China property developers, high US dollar interest rates, the unresolved trade tension between China and the United States, the war in Ukraine and the conflict in the Middle East have led to uncertainty and poor market sentiment.

SHK remains vigilant about the various risks and challenges facing the market and will continue to mitigate the volatility in its business and investment portfolio.

UAF will continue to manage its Hong Kong business by balancing business growth and risk. As for the Mainland China business, UAF will focus on secured lending while implementing cost cutting measures to generate better returns.

In respect of the local property business, the Group will continue to focus on boosting the occupancy and leasing potential of its property portfolio.

TACI welcomes the measures introduced by the Central and local governments to stabilise the property market. These together with a lower loan prime rate and the reduction in bank reserve requirement ratio should increase liquidity and help stimulate the economy of Mainland China.

There is no doubt that the second half of 2025 will remain challenging. With the Group's solid financial position and diversified income streams, the Board will continue to adopt a prudent approach in implementing the Group's stated strategies for the benefit of the Group and all its shareholders.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

During the six months ended 30th June, 2025, the Company has applied the principles of, and complied with, the applicable code provisions set out in the section headed "Part 2 – Principles of good corporate governance, code provisions and recommended best practices" of the Corporate Governance Code ("CG Code") under Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except for certain deviation which is summarised below:

### **Code Provision D.3.3**

Code provision D.3.3 of the CG Code stipulates that the terms of reference of the audit committee should include, as a minimum, those specific duties as set out in the code provision.

The terms of reference of the Audit Committee ("Audit Committee") adopted by the Company are in compliance with the code provision D.3.3 of the CG Code except that the Audit Committee (i) shall recommend (as opposed to implement under the code provision) the policy on the engagement of the external auditors to supply non-audit services; (ii) only possesses the effective ability to scrutinise (as opposed to ensure under the code provision) whether management has performed its duty to have effective risk management and internal control systems; and (iii) can promote (as opposed to ensure under the code provision) the co-ordination between the internal and external auditors, and check (as opposed to ensure under the code provision) whether the internal audit function is adequately resourced.

The reason for the above deviation was set out in the Corporate Governance Report contained in the Company's Annual Report for the financial year ended 31st December, 2024 and remain unchanged. The Board considers that the Audit Committee should continue to operate according to its terms of reference, and will continue to review the terms of reference at least annually and make appropriate changes if considered necessary.

## **Audit Committee Review**

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a general review of the unaudited interim financial report for the six months ended 30th June, 2025. In carrying out this review, the Audit Committee has relied on a review conducted by the Group's external auditors 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 as well as reports obtained from management. The Audit Committee has not undertaken detailed independent audit checks.

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

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 30th June, 2025.

On behalf of the Board  
**Allied Group Limited**  
**Arthur George Dew**  
*Chairman*

Hong Kong, 27th August, 2025

*As at the date of this announcement, the Board comprises Messrs. Lee Seng Hui (Chief Executive), Edwin Lo King Yau and Mak Pak Hung being the Executive Directors; Mr. Arthur George Dew (Chairman), Mr. Akihiro Nagahara (Vice Chairman) and Ms. Lee Su Hwei being the Non-Executive Directors; and Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Ms. Lisa Yang Lai Sum and Mr. Kelvin Chau Kwok Wing being the Independent Non-Executive Directors.*