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Pacific Century
Premium Developments
盈科大衍地產發展

PACIFIC CENTURY PREMIUM DEVELOPMENTS LIMITED

盈科大衍地產發展有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00432)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2025

The board of directors (the “Board”) of Pacific Century Premium Developments Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended June 30, 2025. This interim financial information has not been audited but has been reviewed by the Company’s Audit Committee and the Company’s independent auditor in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Hong Kong Institute of Certified Public Accountants.

SUMMARY

- Consolidated revenue increased by 35 per cent to HK\$736 million
- Loss attributable to equity holders of the Company amounted to HK\$249 million
- Basic loss per share: 12.23 Hong Kong cents
- The Board did not declare the payment of an interim dividend

REVIEW OF OPERATIONS

Property investment and development

Property investment in Indonesia

In Jakarta, our premium commercial building, Pacific Century Place, Jakarta (“PCP Jakarta”), delivered a steady performance and remained a reliable revenue contributor to the Group. As of June 30, 2025, the office space committed occupancy was 85 per cent. The gross rental income amounted to HK\$100 million for the six months ended June 30, 2025, as with the same period in 2024.

The flexible workplace Executive Centre @ PCP in Jakarta continued to receive positive feedback from our tenants, and its performance has been steady, in line with expectations.

Property development in Japan

In Hokkaido, Japan, 111 units of the Park Hyatt Niseko Hanazono Residences have been sold or reserved to date.

The Group had a revenue of HK\$102 million recognised from property development in Japan for the six months ended June 30, 2025, compared to nil for the same period in 2024.

Property development and golf operation in Thailand

As of June 30, 2025, the Group had sold or reserved 40 per cent of its Phase 1A villas in Phang Nga, Thailand. The Group had no revenue from its property development in Thailand for the six months ended June 30, 2025, as with the same period in 2024.

Total revenue from our golf operations, Aquella Golf & Country Club amounted to HK\$6 million for the six months ended June 30, 2025, compared to HK\$6 million for the same period in 2024.

Property development in Hong Kong

As for the development of the project at 3–6 Glenealy, Central, Hong Kong, the construction of its superstructure has been progressing well. The project is scheduled to be completed by early 2026.

Hotel operations, recreation and leisure operation in Japan

Hotel operations in Japan

Japan’s tourism industry continued its strong growth trajectory in early 2025, underscoring the nation’s enduring appeal to international visitors. From January to April, Japan recorded approximately 14.45 million inbound arrivals, representing a substantial increase from 11.6 million during the same period in 2024. In April alone — the peak of the cherry blossom season — the country welcomed a historic 3.91 million foreign visitors.

This tourism boom, coupled with PCPD’s robust and well-executed business strategy, has continued to drive strong performance at Park Hyatt Niseko, Hanazono, our hotel operations in Hokkaido. Both the occupancy rate and the average room rate recorded a notable surge year-on-year. For the six months ended June 30, 2025, the Group’s revenue from its hotel operations in Japan amounted to HK\$253 million, compared to HK\$221 million for the corresponding period in 2024.

Recreation and leisure operation in Japan

The Group's all-season recreational operation is located in Niseko, Hokkaido, Japan, one of the premium ski destinations in the world. The various facilities and recreational activities operated by the Group within the resort include "Hanazono EDGE" (a restaurant and entertainment centre), ski lifts, ski equipment rental, a ski school, and snowmobile tours in the winter; and "Hanazono Zipflight", "42°N Art Hanazono — Mountain Lights", rafting tours, tree-trekking, e-bikes, and golfing in the summer.

As of the winter season of 2024/25, the number of ski rides — including ski lifts and gondolas — increased by 4% compared to the winter season of 2023/24. This growth reflects the strong recovery in inbound travel to Japan and the rising demand for premium winter leisure experiences. Overall, our resort has continued to benefit from the broader surge in Japan's tourism during and beyond the winter months.

For the six months ended June 30, 2025, revenue from the Group's all-season recreational activities in Japan totalled HK\$179 million, compared to HK\$136 million for the corresponding period in 2024.

Property and facilities management

Hong Kong

Providing property management and facilities management services in Hong Kong, the Group generated a stable revenue of HK\$15 million for the six months ended June 30, 2025, compared to HK\$15 million for the corresponding period in 2024.

Japan

Revenue from property management services in Japan increased to HK\$73 million for the six months ended June 30, 2025, compared to HK\$60 million for the corresponding period in 2024.

Other businesses

Other businesses of the Group mainly include property investment in Hong Kong. Revenue from these other businesses amounted to HK\$8 million for the six months ended June 30, 2025, compared to HK\$7 million for the corresponding period in 2024.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

HK\$ million	Notes	For the six months ended June 30,	
		2025 (Unaudited)	2024 (Unaudited)
Revenue	2	736	545
Cost of sales		<u>(214)</u>	<u>(160)</u>
Gross profit		522	385
General and administrative expenses		(390)	(337)
Other income		—	1
Fair value loss on investment properties		(81)	—
Interest income		2	5
Finance costs		<u>(239)</u>	<u>(170)</u>
Loss before taxation	3	(186)	(116)
Income tax	4	<u>(63)</u>	<u>(37)</u>
Loss attributable to equity holder of the Company		<u>(249)</u>	<u>(153)</u>
Other comprehensive income/(loss):			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Currency translation differences:			
Exchange differences on translating foreign operations		<u>264</u>	<u>(505)</u>
Total comprehensive income/(loss)		<u>15</u>	<u>(658)</u>
Loss per share (expressed in Hong Kong cents per share)			
Basic and diluted	6	<u>(12.23) cents</u>	<u>(7.52) cents</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

HK\$ million	Notes	As at June 30, 2025 (Unaudited)	As at December 31, 2024 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Investment properties	7	3,212	3,277
Property, plant and equipment		2,315	2,187
Right-of-use assets		38	41
Properties under development	8a	201	176
Properties held for development	8b	475	454
Goodwill		3	3
Financial assets at fair value through profit or loss		1	1
Prepayments and other receivables		150	157
Deferred income tax assets		21	34
		6,416	6,330
Current assets			
Properties under development/held for sale	8a	3,762	3,549
Inventories		19	23
Sales proceeds held in stakeholders' accounts		8	8
Restricted cash		68	71
Trade receivables, net	9	39	96
Prepayments, deposits and other current assets		116	127
Amounts due from related companies		1	4
Cash and cash equivalents		707	659
		4,720	4,537

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION — CONTINUED

HK\$ million	Note	As at June 30, 2025 (Unaudited)	As at December 31, 2024 (Audited)
Current liabilities			
Borrowings		8,640	835
Trade payables	10	14	53
Accruals and other payables		255	303
Deferred income and contract liabilities		163	300
Lease liabilities		23	24
Current income tax liabilities		41	25
		<u>9,136</u>	<u>1,540</u>
Net current (liabilities)/assets		<u>(4,416)</u>	<u>2,997</u>
Total assets less current liabilities		<u>2,000</u>	<u>9,327</u>
Non-current liabilities			
Borrowings		1,674	9,006
Other payables		186	183
Deferred income and contract liabilities		1	12
Lease liabilities		21	24
Deferred income tax liabilities		37	36
		<u>1,919</u>	<u>9,261</u>
Net assets		<u><u>81</u></u>	<u><u>66</u></u>
CAPITAL AND RESERVES			
Issued equity		3,802	3,802
Reserves		<u>(3,854)</u>	<u>(3,869)</u>
Capital and reserves attributable to equity holders of the Company		(52)	(67)
Non-controlling interests		<u>133</u>	<u>133</u>
		<u><u>81</u></u>	<u><u>66</u></u>

Notes:

1. Basis of Preparation and Accounting Policies

The unaudited condensed consolidated financial information of Pacific Century Premium Developments Limited (the “Company”) and its subsidiaries (the “Group”) has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The unaudited condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended December 31, 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the HKICPA.

The unaudited condensed consolidated financial information has been reviewed by the Company’s Audit Committee, and the Company’s independent auditor 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 preparation of the unaudited condensed consolidated financial information in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. In preparing these unaudited condensed consolidated financial information, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those which applied to the consolidated financial statements as at and for the year ended December 31, 2024.

The accounting policies, basis of presentation and methods of computation used in preparing this unaudited condensed consolidated interim financial information are consistent with those followed in preparing the Group’s annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of the following amended HKFRSs and HKASs which are first effective for accounting periods beginning on or after January 1, 2025 as described below.

The following amended HKFRSs and HKASs are adopted for the financial year beginning January 1, 2025, but have no material effect on the Group’s reported results and financial position for the current and prior accounting periods.

— HKAS 21 and HKFRS 1 (Amendments), *Lack of Exchangeability*

The Group has not early adopted any new or amended HKFRSs, HKASs and Interpretations that are not yet effective for the current accounting period.

For the six months ended June 30, 2025, the Group had incurred loss attributable to equity holders of the Company of HK\$249 million (2024: HK\$153 million). As at June 30, 2025, the Group has net current liabilities of HK\$4,416 million (2024: net current assets of HK\$2,997 million). Total operating cash outflows amounted to HK\$61 million (2024: HK\$78 million). Included in the Group’s current liabilities was (i) guaranteed notes of USD800 million (approximately HK\$6,268 million) which would be due for repayment in June 2026; and (ii) an interest-bearing bank borrowing of an aggregate of HK\$2,363 million which would be due for repayment in August and December 2025 and February and April 2026. The Group’s cash and bank balances amounted to HK\$707 million and restricted bank balances amounted to HK\$68 million.

In view of such circumstances, the directors of the Company have given careful consideration of the liquidity requirement for the Group’s operations, the performance of the Group and available sources of financing in assessing whether the Group has sufficient financial resources to continue as a going concern. The Directors have reviewed the Group’s cash flow forecast prepared by management which covers a period of not less than twelve months from June 30, 2025. The Directors have taken into account the following plans and measures in assessing the sufficiency of working capital requirements in the foreseeable future:

- i) The Group is actively exploring different options to refinance the existing loan facilities and bonds to ensure timely repayment and optimize financing cash flows;
- ii) The Group will continue to actively arrange for sales and pre-sales activities to respond to market changes, capture demands and generate cash inflow;
- iii) The Group will consider potential asset monetisation opportunities to improve liquidity.

Having taken into account the Group’s history in obtaining and extending the external financing through banking facilities or notes issuance, as well as future working capital requirements and cash resources, the directors consider the Group has sufficient financial resources to meet its financial obligations as and when they fall due in the next twelve months period ending June 30, 2026. Accordingly, these condensed consolidated financial information have been prepared on a going concern basis.

2. Revenue and Segment Information

An analysis of revenue and information regarding the Group's reportable segments as provided to the Group's senior executive management for the purposes of resources allocation and assessment of segment performance for the six months ended June 30 is set out below:

HK\$ million For the six months ended June 30,	<u>Revenue (note a)</u>						<u>Results</u> <u>Segment</u>		<u>Other information</u>			
	<u>Revenue</u> <u>from external</u> <u>customers</u>		<u>Inter-</u> <u>segment</u> <u>revenue</u>		<u>Reportable</u> <u>segment</u> <u>revenue</u>		<u>results</u> <u>before</u> <u>taxation</u>		<u>Additions to</u> <u>non-current</u> <u>segment</u> <u>assets</u>		<u>Depreciation</u>	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
All-season recreational activities in Japan	179	136	—	—	179	136	81	54	11	8	(18)	(18)
Property development in Japan	102	—	—	—	102	—	54	(8)	21	16	(4)	(3)
Hotel operations in Japan	253	221	—	—	253	221	18	6	1	1	(38)	(37)
Property management in Japan	73	60	—	—	73	60	29	24	—	—	—	—
Property investment in Indonesia	100	100	—	—	100	100	(36)	55	3	4	(3)	(5)
Property development and golf operation in Thailand	6	6	—	—	6	6	(23)	(17)	1	2	(5)	(6)
Property and facilities management in Hong Kong	15	15	—	—	15	15	5	5	—	—	—	—
Property development in Hong Kong	—	—	—	—	—	—	(24)	(7)	3	15	(18)	(4)
Other businesses (note b)	8	7	1	1	9	8	1	1	1	1	(10)	(9)
Elimination	—	—	(1)	(1)	(1)	(1)	—	—	—	—	—	—
Total of reported segments	736	545	—	—	736	545	105	113	41	47	(96)	(82)
Unallocated	—	—	—	—	—	—	(291)	(229)	—	—	—	—
Consolidated	<u>736</u>	<u>545</u>	<u>—</u>	<u>—</u>	<u>736</u>	<u>545</u>	<u>(186)</u>	<u>(116)</u>	<u>41</u>	<u>47</u>	<u>(96)</u>	<u>(82)</u>

2. Revenue and Segment Information — Continued

HK\$ million	<u>Assets</u>		<u>Liabilities</u>	
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
As at				
All-season recreational activities in Japan	548	550	41	92
Property development in Japan	952	795	47	49
Hotel operations in Japan	1,552	1,465	652	665
Property management in Japan	103	188	55	158
Property investment in Indonesia	3,482	3,619	286	318
Property development and golf operation in Thailand	1,009	959	54	42
Property and facilities management in Hong Kong	15	20	2	2
Property development in Hong Kong	3,085	2,963	1,105	1,043
Other businesses (note b)	55	57	8	9
Total of reported segments	10,801	10,616	2,250	2,378
Unallocated	335	251	8,805	8,423
Consolidated	<u>11,136</u>	<u>10,867</u>	<u>11,055</u>	<u>10,801</u>

a. For the six months ended June 30, 2025 and 2024, the timing of revenue recognition is as follow:

HK\$ million	2025	2024
External revenue from contracts with customers:		
Timing of revenue recognition		
– At a point in time	211	100
– Over time	458	375
External revenue from other sources:		
– Rental income	67	70
	<u>736</u>	<u>545</u>

b. Revenue from segments below the quantitative thresholds under HKFRS 8 “Operating Segments” is mainly attributable to property investment in Hong Kong. This segment has not met any of the quantitative thresholds for determining reportable segments.

3. Loss Before Taxation

Loss before taxation is stated after charging the following:

HK\$ million	For the six months ended June 30,	
	2025	2024
Cost of properties sold	34	—
Cost of inventories sold	22	25
Depreciation of property, plant and equipment	83	68
Depreciation of right-of-use assets		
– properties	13	14
Outgoings in respect of investment properties	16	26
Staff costs included in:		
– cost of sales	70	43
– general and administrative expenses	98	95
Contributions to defined contribution retirement schemes included in		
– general and administrative expenses	3	2
Auditor’s remuneration		
– audit services	3	2
Net foreign exchange loss	5	2
Variable lease payment expenses	34	20
Short-term leases expenses	<u>1</u>	<u>1</u>

4. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits for the period.

Taxation for subsidiaries outside Hong Kong which mainly in Japan, Indonesia and Thailand has been calculated on the estimated assessable profits for the period at the rates prevailing in the respective jurisdictions.

HK\$ million	For the six months ended June 30,	
	2025	2024
Hong Kong profits tax		
– Provision for current period	1	1
Income tax outside Hong Kong		
– Provision for current period	45	35
Deferred income tax	17	1
	<u>63</u>	<u>37</u>

5. Dividend

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

6. Loss per Share

The calculations of basic and diluted loss per share based on the share capital of the Company are as follows:

Loss (HK\$ million)	For the six months ended June 30,	
	2025	2024
Loss for the purpose of calculating the basic and diluted loss per share	<u>(249)</u>	<u>(153)</u>
Number of shares	For the six months ended June 30,	
	2025	2024
Weighted average number of ordinary shares for the purpose of calculating the basic and diluted loss per share	<u>2,038,276,785</u>	<u>2,038,276,785</u>

Pursuant to the terms of the applicable deed poll, the bonus convertible notes confer upon the holders the same economic interests attached to the bonus shares. As at June 30, 2025, bonus convertible notes in an aggregated amount of HK\$592,552,133.20 (June 30, 2024: HK\$592,552,133.20) have been converted into 1,185,104,266 shares of the Company (June 30, 2024: 1,185,104,266 shares). The outstanding bonus convertible notes in an aggregated amount of HK\$20,021.20 (June 30, 2024: HK\$20,021.20) at the conversion price of HK\$0.50 per share convertible into 40,042 shares (June 30, 2024: 40,042 shares) have been included in the weighted average number of ordinary shares for calculating the basic loss per share for the six months ended June 30, 2025 and June 30, 2024.

7. Investment Properties

The movements of investment properties during the first six-month period are stated as below.

HK\$ million	2025	2024
At January 1,	3,277	3,435
Additions	3	—
Change in fair value	(81)	—
Exchange differences	13	(194)
At June 30,	<u>3,212</u>	<u>3,241</u>

8. Properties under development/held for sale/held for development

a. Properties under development/held for sale

HK\$ million	2025	2024
At January 1,	3,724	3,463
Additions	207	143
Properties sold	(29)	—
Exchange differences	61	(69)
	<u>3,963</u>	<u>3,537</u>
Less: Properties under development classified as non-current assets	<u>(201)</u>	<u>(153)</u>
Properties under development/held for sale classified as current assets	<u>3,762</u>	<u>3,384</u>

- (i) Properties under development classified as non-current assets as at June 30, 2025 consists of the freehold land under development in Japan which is held by an indirect wholly-owned subsidiary amounted to HK\$201 million.
- (ii) Properties under development, which have either been pre-sold or are intended for sale, are classified under current assets.

b. Properties held for development

HK\$ million	2025	2024
At January 1,	454	427
Additions	1	—
Transfer to property, plant and equipment	(6)	—
Exchange differences	26	(25)
	<u>475</u>	<u>402</u>

Properties held for development as at June 30, 2025 represent the freehold land in Thailand which the Group intends to hold for future development projects.

9. Trade Receivables, net

An aging analysis of trade receivables, based on invoice date, is set out below:

HK\$ million	As at June 30, 2025	As at December 31, 2024
1–30 days	<u>39</u>	<u>96</u>

Trade receivables have a normal credit period which ranges up to 30 days from the date of the invoice unless there is separate mutual agreement on extension of the credit period.

10. Trade Payables

An aging analysis of trade payables, based on invoice date, is set out below:

HK\$ million	As at June 30, 2025	As at December 31, 2024
1–30 days	<u>14</u>	<u>53</u>

FINANCIAL REVIEW

Review of results

The consolidated revenue of the Group was HK\$736 million for the six months ended June 30, 2025, representing an increase of 35% from HK\$545 million for the corresponding period in 2024. The increase was mainly due to the increase in operating revenue from hotel operations and all-season recreational operations in Niseko, Hokkaido, Japan.

The consolidated gross profit for the six months ended June 30, 2025 was HK\$522 million, representing an increase of 36% from HK\$385 million for the corresponding period in 2024. The gross profit margin for the six months ended June 30, 2025 was 71% as compared to 71% for the corresponding period in 2024.

The general and administrative expenses were HK\$390 million for the six months ended June 30, 2025, representing an increase of 16% from HK\$337 million for the corresponding period in 2024.

The Group recorded higher finance costs of HK\$239 million for the six months ended June 30, 2025, as compared to HK\$170 million for the same period in 2024. The increase was mainly due to exchange loss on guaranteed notes. The consolidated net loss after taxation was HK\$249 million for the six months ended June 30, 2025, as compared to HK\$153 million for the corresponding period in 2024. Such increase was mainly due to the exchange loss on guaranteed notes and fair value loss on investment properties. Basic loss per share during the period under review was 12.23 Hong Kong cents, compared to a basic loss per share of 7.52 Hong Kong cents for the corresponding period in 2024.

Current assets and liabilities

As at June 30, 2025, the Group held current assets of HK\$4,720 million (December 31, 2024: HK\$4,537 million), mainly comprising properties under development/held for sale, cash and cash equivalents and prepayments, deposits and other current assets. Sales proceeds held in stakeholders' accounts remained at HK\$8 million as at June 30, 2025 (December 31, 2024: HK\$8 million). The level of restricted cash in current assets decreased to HK\$68 million as at June 30, 2025 (December 31, 2024: HK\$71 million).

As at June 30, 2025, the Group's total current liabilities amounted to HK\$9,136 million, as compared to HK\$1,540 million as at December 31, 2024. As at June 30, 2025, the current ratio was 0.52 (December 31, 2024: 2.95).

Capital structure, liquidity and financial resources

As at June 30, 2025, the Group's borrowings amounted to HK\$10,314 million (December 31, 2024: HK\$9,841 million). The balance as at June 30, 2025 represented the amortised cost of financial liabilities in respect of the 5.125% guaranteed notes of US\$800 million (equivalent to HK\$6,268 million), Japanese Yen ("JPY") 9,416 million (equivalent to HK\$507 million) under all JPY loan facilities, together with HK\$3,539 million under the Hong Kong dollar loan facilities.

On June 18, 2021, PCPD Capital Limited ("PCPD Capital"), an indirect wholly-owned subsidiary of the Company, issued in an aggregate principal amount of US\$800 million 5.125 per cent guaranteed notes due 2026 ("Notes"), which are listed on the Singapore Exchange Securities Trading Limited. The estimated fair value of the option of the early redemption and repurchase rights are recognised as financial assets at fair value through profit or loss. The Notes are irrevocably and unconditionally guaranteed by the Company. The Notes rank pari passu among themselves and with all other present and future unsecured and unsubordinated obligations of PCPD Capital and the Company.

On April 13, 2021, a project development loan facility agreement was entered into by an indirect wholly-owned subsidiary of the Company under which the lenders agreed to make available a term loan facility up to an aggregate amount of HK\$1,382 million with a maturity of April 2026 or twelve months after occupation permit of the development project in Hong Kong being issued by the building authority, whichever is earlier. Such facility is secured by certain land and property, bank accounts, shares and other assets of the indirect non-wholly owned subsidiaries of the Company and subject to certain financial ratios covenants. As of June 30, 2025, none of the covenants were breached and the carrying value of the borrowing represents the loan drawdown of HK\$1,091 million (December 31, 2024: HK\$1,031 million) offset by the deferred loan arrangement costs of HK\$2 million (December 31, 2024: HK\$3 million).

On February 1, 2023, an indirect wholly-owned subsidiary of the Company (the “Borrower”) renewed the term loan facility agreement for an aggregate amount of JPY10,000 million with a maturity in February, 2026. Such facility is secured by certain land and property, the reserve accounts, and ordinary and/or preferred shares of the Borrower and an indirect wholly-owned subsidiary of the Company and subject to certain financial ratios covenants. As of June 30, 2025, none of the covenants were breached and the carrying value of the borrowing represents the outstanding principal amount of JPY9,250 million (equivalent to HK\$500 million) (December 31, 2024: JPY9,500 million, equivalent to HK\$468 million) offset by the deferred loan arrangement costs of JPY48 million (equivalent to HK\$2 million) (December 31, 2024: JPY48 million, equivalent to HK\$2 million). On July 25, 2025, the outstanding principal amount of JPY9,250 million (equivalent to HK\$500 million) was repaid.

On December 29, 2023, an indirect wholly-owned subsidiary of the Company renewed the term loan facility agreement for an aggregate amount of HK\$1,208 million with a maturity in December, 2026. Such facility is secured by the land and building, bank accounts, shares and other assets of certain indirect wholly-owned subsidiaries of the Company and subject to certain financial ratios covenants. As of June 30, 2025, none of the covenants were breached and the carrying value of the borrowing represents the loan drawdown of HK\$1,188 million (December 31, 2024: HK\$1,199 million) offset by the deferred loan arrangement costs of HK\$10 million (December 31, 2024: HK\$11 million).

On December 24, 2024, an indirect wholly-owned subsidiary of the Company entered into the term loan facility agreement under which the lender agreed to make available a term loan facility up to an aggregate amount of HK\$500 million. The maturity of the term loan facility is in June, 2028. Such facility is secured by corporate guarantee of the Company and subject to certain financial ratios covenants. As of June 30, 2025, none of the covenants were breached and the carrying value of the borrowing represents the loan drawdown of HK\$500 million (December 31, 2024: HK\$150 million) offset by the deferred loan arrangement costs of HK\$4 million (December 31, 2024: HK\$4 million).

On April 28, 2025, an indirect wholly-owned subsidiary of the Company entered into an amendment agreement to the term loan facility agreement for an aggregate amount of HK\$780 million. The maturity of the term loan facility is in December, 2025. Such facility is secured by corporate guarantee of the Company, certain indirect wholly-owned subsidiaries of the Company and PCCW Limited (“PCCW”) up to its percentage of interest of the issued share capital of the Company and subject to certain financial ratios covenants. As of June 30, 2025, none of the covenants were breached and the carrying value of the borrowing represents the loan drawdown of HK\$780 million (December 31, 2024: HK\$780 million) offset by the deferred loan arrangement costs of HK\$4 million (December 31, 2024: HK\$2 million).

Subsequent to June 30, 2025, on July 23, 2025, an indirect wholly-owned subsidiary of the Company entered into the term loan facility agreement under which the lender agreed to make available a term loan facility up to an aggregate amount of JPY23,500 million (equivalent to HK\$1,271 million). The maturity of the term loan facility is in July, 2030. On July 25, 2025, a loan drawdown of JPY14,500 million (equivalent to HK\$784 million) was made.

The Group’s borrowings are denominated in US dollars, Hong Kong dollars and Japanese Yen while the cash and bank deposits are also held mainly in US dollars, Hong Kong dollars and Japanese Yen. The Group has foreign operations, and some of its net assets are exposed to the risk of foreign currency exchange rate fluctuations. As at June 30, 2025, the assets of the Group in Indonesia, Japan and Thailand represented 31 per cent, 28 per cent and 9 per cent of the Group’s total assets respectively. The Group’s currency exposure with respect to these operations is subject to fluctuations in the exchange rates of Indonesian Rupiah, Japanese Yen and Thai Baht.

Cash used in operating activities for the six months ended June 30, 2025 was HK\$61 million, as compared to cash used in operating activities in the amount of HK\$78 million for the corresponding period in 2024.

Income tax

The Group’s income tax for the six months ended June 30, 2025 was HK\$63 million, as compared to HK\$37 million for the corresponding period in 2024.

Security on assets

As at June 30, 2025, certain assets of the Group with an aggregated carrying value of HK\$7,778 million (December 31, 2024: HK\$7,765 million) were mortgaged and pledged to the banks as security for the loan facilities.

EMPLOYEES AND REMUNERATION POLICIES

As at June 30, 2025, the Group employed a total number of 976 staff in Hong Kong and overseas (inclusive of property management staff borne by owners' account and seasonal staff employed overseas). The remuneration policies of the Group are in line with prevailing industry practices. Bonuses are paid on a discretionary basis taking into account factors such as performance of individual employees and the Group's performance as a whole. The Group provides comprehensive employee benefits, including medical insurance, a choice of provident fund or mandatory provident fund as well as training programs. The Group is also a participating member of the PCCW employee share incentive award schemes.

The Company operates a share option scheme which was adopted by its shareholders at the Company's annual general meeting held on May 14, 2025 ("2025 Scheme"). Under the 2025 Scheme, the Board shall be entitled to offer to grant share options to any eligible participant (including employee of the Group) whom the Board may, at its absolute discretion, select.

DIVIDENDS AND DISTRIBUTION

The Board did not declare an interim dividend to shareholders nor an interim distribution to bonus convertible noteholders for the six months ended June 30, 2025 (2024: Nil).

The Board did not recommend the payment of a final dividend to shareholders nor a final distribution to bonus convertible noteholders for the year ended December 31, 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended June 30, 2025, there was no purchase, sale or redemption by the Company or any of its subsidiaries of the listed securities of the Company.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the Group's unaudited condensed consolidated interim financial information for the six months ended June 30, 2025 and has held one meeting during the period under review.

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance, the principles of which serve to uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business and to ensure that its affairs are conducted in accordance with applicable laws and regulations.

The Company has applied the principles and complied with all applicable code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited during the six months ended June 30, 2025.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the websites of the Company (www.pcpd.com) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The 2025 interim report will be despatched to shareholders of the Company and available on the above websites in due course.

OUTLOOK

The year 2025 has been characterised by geopolitical uncertainties and a global economy continuing to adjust to changes. Despite some optimistic projections at the start of the year, the first half has been marked by slower-than-expected economic growth in some developed nations.

Despite these headwinds, the global economy has shown encouraging resilience. Inflation in many advanced economies is moderating, and business investment is gradually picking up as confidence improves.

In Asia, sustained demand across the tourism, hospitality, and service sectors has continued to underpin regional growth. These trends present growth opportunities for businesses with a well-established regional presence and a focused strategic approach — qualities that define PCPD.

With its diversified portfolio and strong business fundamentals, PCPD is well positioned to navigate the evolving landscape and gain its growth momentum. Entering the second half of 2025, we persevere in executing a range of well-crafted business strategies as well as sales and promotional initiatives in various markets, with the aim of driving business growth in the short and long terms. In particular, we expect our hotel, recreation and leisure operations in Japan to gather momentum and contribute to the Group.

As we look ahead to the remainder of the year, we will stay vigilant against potential risks, including possible repercussions from Federal Reserve rate policies, economic downturn as well as other global developments that may influence market sentiment and pose impact on business strategies.

We are cautiously optimistic about the long-term outlook for the property sectors in Hong Kong, Japan, Thailand, and Indonesia. Backed by our disciplined approach and clear strategic focus, we are confident in our ability to strengthen business performance, mitigate risks effectively, and deliver sustainable returns to our stakeholders in 2025.

By Order of the Board
Pacific Century Premium Developments Limited
Cheung Kwok Kuen Alan
General Counsel and Company Secretary

Hong Kong, July 30, 2025

As at the date of this announcement, the directors of the Company are as follows:

Executive Directors:

Li Tzar Kai, Richard; and Benjamin Lam Yu Yee (Deputy Chairman and Group Managing Director)

Non-Executive Director:

Dr Allan Zeman, GBM, GBS, JP

Independent Non-Executive Directors:

Prof Wong Yue Chim, Richard, SBS, JP (Independent Non-Executive Chairman); Chiang Yun; and Dr Vince Feng

* *For identification only*