



海天地悅旅集團有限公司

S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1832

INTERIM REPORT

2025



MIX  
Paper | Supporting  
responsible forestry  
FSC® C157924



# CONTENTS

|  | <i>Page(s)</i> |
|--|----------------|
| <b>Corporate Information</b>   | 2              |
| <b>Independent Review Report</b>   | 4              |
| <b>Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income</b> | 6              |
| <b>Condensed Consolidated Statement of Financial Position</b>                            | 7              |
| <b>Condensed Consolidated Statement of Changes in Equity</b>                             | 9              |
| <b>Condensed Consolidated Statement of Cash Flows</b>                                    | 10             |
| <b>Notes to the Condensed Consolidated Interim Financial Information</b>                 | 11             |
| <b>Management Discussion and Analysis</b>  | 43             |
| <b>Other Information</b>   | 56             |

In case of any inconsistency between the English version and the Chinese version of this interim report, the English version shall prevail.



# Corporate Information

## Board of Directors

### Executive Directors

Dr. TAN Henry, SBS, BBS, JP  
*(Vice Chairman and CEO)*

Mr. CHIU George

Mrs. SU TAN Jennifer Sze Tink

Ms. CHEUNG Pik Shan Bonnie

### Non-Executive Directors

Dr. TAN Siu Lin, GBS, SBS *(Chairman)*

Mr. TAN Willie

### Independent Non-Executive Directors

Mr. CHAN Leung Choi Albert

Mr. MA Andrew Chiu Cheung

Mr. WONG Chun Tat, JP

### Audit Committee

Mr. MA Andrew Chiu Cheung *(Chairman)*

Mr. CHAN Leung Choi Albert

Mr. WONG Chun Tat, JP

### Remuneration Committee

Mr. CHAN Leung Choi Albert *(Chairman)*

Mr. WONG Chun Tat, JP

Dr. TAN Henry, SBS, BBS, JP

### Nomination Committee

Mr. WONG Chun Tat, JP *(Chairman)*

Mr. CHAN Leung Choi Albert

Dr. TAN Henry, SBS, BBS, JP

*(Resigned on August 29, 2025)*

Ms. CHEUNG Pik Shan Bonnie

*(Appointed on August 29, 2025)*

## Chairman and Non-Executive Director

Dr. TAN Siu Lin, GBS, SBS

## Company Secretary

Ms. CHEUNG Pik Shan Bonnie

## Authorized Representatives

*(for the purpose of the Listing Rules)*

Dr. TAN Henry, SBS, BBS, JP

Ms. CHEUNG Pik Shan Bonnie

## Legal Advisers to our Company

*As to Hong Kong laws*

### Deacons

5th Floor

Alexandra House

18 Chater Road

Central, Hong Kong

*As to CNMI and Guam laws*

### Blair Sterling Johnson & Martinez, P.C.

238 Archbishop Flores Street

Suite 1008

Hagåtña Guam

96910-5205

## Auditor

### Ernst & Young

*Certified Public Accountants*

*Registered Public Interest Entity Auditor*

27th Floor, One Taikoo Place

979 King's Road

Quarry Bay, Hong Kong

# Corporate Information

## Registered Office

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## Corporate Headquarters and Principal Place of Business Registered under Part 16 of the Companies Ordinance

5/F, Nanyang Plaza  
57 Hung To Road  
Kwun Tong, Kowloon  
Hong Kong

## Principal Bankers

**Bank of China (Hong Kong) Limited**  
**Bank of Hawaii, Hagatna Branch**  
**Bank of Hawaii, Gualo Rai Branch**  
**First Hawaiian Bank, Gualo Rai Branch**  
**The Hongkong and Shanghai Banking  
Corporation Limited**

## Principal Share Registrar and Transfer Office

**Conyers Trust Company (Cayman)  
Limited**

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## Hong Kong Branch Share Registrar and Transfer Office

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

## Share Listing

**The Stock Exchange of Hong Kong  
Limited**  
(Stock Code: 1832)

## Website

[www.saileisuregroup.com](http://www.saileisuregroup.com)

# Independent Review Report



Ernst & Young  
27/F, One Taikoo Place  
979 King's Road  
Quarry Bay, Hong Kong

安永會計師事務所  
香港鰂魚涌英皇道979號  
太古坊一座27樓

Tel 電話: +852 2846 9888  
Fax 傳真: +852 2868 4432  
ey.com

## TO THE BOARD OF DIRECTORS OF S.A.I. LEISURE GROUP COMPANY LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

### INTRODUCTION

We have reviewed the interim financial information set out on pages 6 to 42, which comprises the condensed consolidated statement of financial position of S.A.I. Leisure Group Company Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) as at June 30, 2025 and the related 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 explanatory notes. 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 this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made 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 interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

# Independent Review Report

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

## MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2.1 to the condensed consolidated interim financial information which indicates that the Group had net current liabilities of US\$44,454,000 as at June 30, 2025 and incurred a net loss of US\$9,719,000 during the six-month period then ended. Included in its current liabilities as at June 30, 2025 were an interest-bearing bank borrowing of US\$37,350,000 and a revolving loan of US\$5,000,000, both of which are repayable on demand whereas the Group's cash and cash equivalents amounted to US\$2,463,000 as at June 30, 2025. These conditions, along with other matters as set forth in note 2.1 to the condensed consolidated interim financial information, indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

## Ernst & Young

*Certified Public Accountants*  
Hong Kong

August 29, 2025



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

For the six months ended June 30, 2025

|  |      | For the six months ended June 30, |                                 |
|--|------|-----------------------------------|---------------------------------|
|  | Note | 2025<br>US\$'000<br>(Unaudited)   | 2024<br>US\$'000<br>(Unaudited) |
| Revenue  | 3    | 21,062                            | 21,097                          |
| Cost of inventories sold   |      | (1,883)                           | (2,053)                         |
| Food and beverage costs  |      | (1,424)                           | (1,269)                         |
| Employee benefit expenses  |      | (7,357)                           | (7,314)                         |
| Utilities, repairs and maintenance                                     |      | (3,375)                           | (3,280)                         |
| Other operating costs  |      | (14,181)                          | (14,215)                        |
| Other gains, net   | 4    | 72                                | 1                               |
| <b>Operating loss</b>  |      | <b>(7,086)</b>                    | <b>(7,033)</b>                  |
| Finance costs  | 5    | (2,633)                           | (2,710)                         |
| <b>Loss before tax</b>   | 6    | <b>(9,719)</b>                    | <b>(9,743)</b>                  |
| Income tax   | 7    | —                                 | —                               |
| <b>Loss for the period and total comprehensive loss for the period</b> |      | <b>(9,719)</b>                    | <b>(9,743)</b>                  |
| <b>Loss and total comprehensive loss attributable to:</b>              |      |                                   |                                 |
| Owners of the Company  |      | (9,590)                           | (9,667)                         |
| Non-controlling interests  |      | (129)                             | (76)                            |
|  |      | <b>(9,719)</b>                    | <b>(9,743)</b>                  |
| <b>Loss per share attributable to owners of the Company</b>            |      |                                   |                                 |
| — Basic and diluted (US cents)   | 8    | (2.7)                             | (2.7)                           |

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# Condensed Consolidated Statement of Financial Position

As at June 30, 2025

|   | Note  | As at<br>June 30,<br>2025<br>US\$'000<br>(Unaudited) | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|---|-------|--|--|
| <b>ASSETS</b>                                       |       |  |  |
| <b>Non-current assets</b>                           |       |  |  |
| Property, plant and equipment                       | 10    | 113,178  | 117,786  |
| Investment properties                               | 11    | 350  | 356  |
| Intangible assets                                   | 12    | 27   | 38   |
| Deferred income tax assets                          |       | 6,583  | 6,583  |
| Prepayments and deposits                            | 15    | 1,970  | 1,422  |
| Total non-current assets                            |       | 122,108  | 126,185  |
| <b>Current assets</b>                               |       |  |  |
| Inventories   | 13    | 3,215  | 3,591  |
| Trade receivables                                   | 14    | 1,728  | 1,903  |
| Prepayments, deposits and other receivables         | 15    | 1,790  | 2,501  |
| Amounts due from related parties                    | 21(a) | 50   | 181  |
| Income tax recoverable                              |       | 2,561  | 2,561  |
| Cash and cash equivalents                           |       | 2,463  | 3,192  |
| Total current assets                                |       | 11,807   | 13,929   |
| <b>Total assets</b>                                 |       | <b>133,915</b>                                       | <b>140,114</b>   |
| <b>EQUITY</b>                                       |       |  |  |
| <b>Equity attributable to owners of the Company</b> |       |  |  |
| Issued share capital                                | 16    | 461  | 461  |
| Share premium                                       | 16    | 38,122   | 38,122   |
| Capital reserve                                     |       | 28,854   | 28,854   |
| Other reserve                                       |       | 4,836  | 4,836  |
| Accumulated losses                                  |       | (47,412)   | (37,822)   |
| Non-controlling interests                           |       | 24,861<br>(602)                                      | 34,451<br>(473)  |
| <b>Total equity</b>                                 |       | <b>24,259</b>  | <b>33,978</b>  |



# Condensed Consolidated Statement of Financial Position

As at June 30, 2025

|                                | Note  | As at<br>June 30,<br>2025<br>US\$'000<br>(Unaudited) | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|--------------------------------|-------|--|--|
| <b>LIABILITIES</b>             |       |  |  |
| <b>Non-current liabilities</b> |       |  |  |
| Other borrowings               | 19    | 37,952   | 32,242   |
| Lease liabilities              |       | 15,443   | 15,870   |
| Total non-current liabilities  |       | 53,395   | 48,112   |
| <b>Current liabilities</b>     |       |  |  |
| Trade and other payables       | 17    | 11,500   | 11,857   |
| Bank borrowings                | 18    | 42,350   | 44,500   |
| Other borrowings               | 19    | 1,434  | 685  |
| Lease liabilities              |       | 556  | 666  |
| Amounts due to related parties | 21(a) | 384  | 279  |
| Income tax payable             |       | 37   | 37   |
| Total current liabilities      |       | 56,261   | 58,024   |
| Total liabilities              |       | 109,656  | 106,136  |
| Total equity and liabilities   |       | 133,915  | 140,114  |

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

# Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025

|   | Attributable to owners of the Company |               |                 |               |                    |          | Non-                  |          |
|---|---------------------------------------|---------------|-----------------|---------------|--------------------|----------|-----------------------|----------|
|   | Issued share capital                  | Share premium | Capital reserve | Other reserve | Accumulated losses | Subtotal | controlling interests | Total    |
|   | US\$'000                              | US\$'000      | US\$'000        | US\$'000      | US\$'000           | US\$'000 | US\$'000              | US\$'000 |
|   | (Note 16)                             | (Note 16)     |                 |               |                    |          |                       |          |
| (Unaudited)   |                                       |               |                 |               |                    |          |                       |          |
| At January 1, 2024  | 461                                   | 38,122        | 27,006          | 4,836         | (18,867)           | 51,558   | (352)                 | 51,206   |
| Loss for the period and total comprehensive loss for the period | —                                     | —             | —               | —             | (9,667)            | (9,667)  | (76)                  | (9,743)  |
| At June 30, 2024  | 461                                   | 38,122        | 27,006          | 4,836         | (28,534)           | 41,891   | (428)                 | 41,463   |
| (Unaudited)   |                                       |               |                 |               |                    |          |                       |          |
| At January 1, 2025  | 461                                   | 38,122        | 28,854          | 4,836         | (37,822)           | 34,451   | (473)                 | 33,978   |
| Loss for the period and total comprehensive loss for the period | —                                     | —             | —               | —             | (9,590)            | (9,590)  | (129)                 | (9,719)  |
| At June 30, 2025  | 461                                   | 38,122        | 28,854          | 4,836         | (47,412)           | 24,861   | (602)                 | 24,259   |

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2025

|   | For the six months ended June 30, |                                 |
|---|-----------------------------------|---------------------------------|
|   | 2025<br>US\$'000<br>(Unaudited)   | 2024<br>US\$'000<br>(Unaudited) |
| <b>Net cash flows (used in)/generated from operating activities</b> | <b>(1,305)</b>                    | <b>554</b>                      |
| <b>Cash flows from investing activities</b>                         |                                   |                                 |
| Purchases of property, plant and equipment                          | (610)                             | (1,489)                         |
| Additions to intangible asset                                       | (3)                               | —                               |
| Proceeds from disposal of property, plant and equipment             | 73                                | —                               |
| <b>Net cash flows used in investing activities</b>                  | <b>(540)</b>                      | <b>(1,489)</b>                  |
| <b>Cash flows from financing activities</b>                         |                                   |                                 |
| Repayment of bank loans   | (2,150)                           | (1,125)                         |
| New other loans   | 5,700                             | 4,500                           |
| Principal portion of lease payments                                 | (424)                             | (399)                           |
| Interest paid   | (2,010)                           | (2,402)                         |
| <b>Net cash flows generated from financing activities</b>           | <b>1,116</b>                      | <b>574</b>                      |
| <b>Net decrease in cash and cash equivalents</b>                    | <b>(729)</b>                      | <b>(361)</b>                    |
| Cash and cash equivalents at beginning of period                    | 3,192                             | 4,438                           |
| <b>Cash and cash equivalents at end of period</b>                   | <b>2,463</b>                      | <b>4,077</b>                    |
| <b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>            |                                   |                                 |
| Cash and bank balances  | 2,463                             | 4,077                           |

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.



# Notes to the Condensed Consolidated Interim Financial Information

## 1 GENERAL INFORMATION

S.A.I. Leisure Group Company Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and its principal place of business is at 5th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong.

The Company is an investment holding company. During the reporting period, the Company and its subsidiaries (together, the “**Group**”) was principally engaged in (i) hotels and resorts operations in Saipan and Guam, (ii) travel retail business of luxury and leisure clothing and accessories in Saipan, Guam and Hawaii and (iii) provision of destination services in Saipan and Guam.

In the opinion of the directors of the Company (the “**Directors**”), the immediate holding company and intermediate holding company of the Company are THC Leisure Holdings Limited (“**THC Leisure**”) and Tan Holdings Corporation (“**Tan Holdings**”), respectively. Dr. Tan Siu Lin and Dr. Tan Henry (the son of Dr. Tan Siu Lin) are ultimate controlling parties.

## 2.1 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended June 30, 2025 has 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**”) and the applicable disclosure requirements of The Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). This condensed consolidated interim financial information is presented in United States dollars (“**US\$**”) and all values are rounded to the nearest thousand (US\$'000), unless otherwise stated. The condensed consolidated interim financial information has been approved for issue by the board of directors on August 29, 2025.

The unaudited condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended December 31, 2024 which have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) as issued by the HKICPA.

# Notes to the Condensed Consolidated Interim Financial Information

## 2.1 BASIS OF PREPARATION *(Continued)*

### **Going concern**

As at June 30, 2025, the Group had net current liabilities of US\$44,454,000 and incurred a net loss of US\$9,719,000 during the six-month period then ended. Included in its current liabilities was an interest-bearing term loan of US\$37,350,000 and a revolving loan of US\$5,000,000, both of which are repayable on demand, for the renovation and upgrade works of hotels in Guam and Saipan, and its cash and cash equivalents amounted to approximately US\$2,463,000. Moreover, the Group had capital commitments of US\$166,000 as at June 30, 2025 in relation to the property, plant and equipment which are expected to be settled during the second half of the year ending December 31, 2025.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient resources to continue as a going concern. The following plans and measures have been undertaken to mitigate the liquidity pressure and to improve the financial position of the Group:

- (i) Pursuant to the terms and conditions of the facility with a bank, the Group will be subject to certain undertakings including but not limited to financial covenants. The Group closely monitors its compliance with the undertakings and financial covenants of the banking facility. As at June 30, 2025, the Group complies with financial covenants of the banking facility in an aggregate amount of US\$48,000,000.

Based on the latest communications between management and the bank regarding the compliance of undertakings and financial covenants, the Directors are not aware of any intention of the bank to withdraw its banking facility or demand immediate repayment of the bank borrowing. The Group has also placed an aggregate amount equivalent to three-month loan repayments (including interest payments and principal repayments) into its Debt Service Reserve Account with the bank. Furthermore, as the banking facility is fully secured by certain of the Group's hotel assets with ample security coverage, the Directors believe that the existing banking facility will continue to be available to the Group given the good track records and relationship the Group has with the bank;

# Notes to the Condensed Consolidated Interim Financial Information

## 2.1 BASIS OF PREPARATION *(Continued)*

### **Going concern** *(Continued)*

- (ii) The Group will continue its efforts to generate sufficient cash flows from operating activities by implementing measures in expediting the collection of outstanding trade receivables, improving sales and containing capital and operating expenditures to retain sufficient working capital for the operations of the Group;
- (iii) The Group has obtained shareholder loan facilities from Tan Holdings with an aggregate amount of US\$43,000,000, of which US\$38,800,000 was utilized by the Group as at the end of the reporting period. In March 2025, the Group has received a written commitment from Tan Holdings for a standby shareholder loan facility of US\$9,000,000. Furthermore, Tan Holdings has committed to providing financial support to enable the Group to meet its liabilities when they fall due in the foreseeable future (at least twelve months from the date of the condensed consolidated interim financial information). Tan Holdings has undertaken not to demand repayment of the amount due to it by the Group until the Group is in a position to repay without impairing its liquidity and financial position; and
- (iv) The Group will consider obtaining additional sources of funding as and when needed to enhance its financial position and support the operations of the Group.



# Notes to the Condensed Consolidated Interim Financial Information

## 2.1 BASIS OF PREPARATION *(Continued)*

### **Going concern** *(Continued)*

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from June 30, 2025. In the opinion of the Directors, taking into account the anticipated cash flows to be generated from the Group's operations as well as the above plans and measures, the Group will have sufficient working capital to meet its financial obligations and commitments as and when they fall due for a period of not less than twelve months from June 30, 2025. Accordingly, the Directors consider that it is appropriate to prepare the condensed consolidated interim financial information on a going concern basis.

The Group's ability to generate sufficient cash flows to continue as a going concern is subject to significant uncertainty and will depend on the successful outcome of the above plans and measures. Should the Group be unable to achieve the above plans and measures so as to continue as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for financial liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the unaudited condensed consolidated interim financial information.

# Notes to the Condensed Consolidated Interim Financial Information

## 2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's condensed consolidated interim financial information.

### Amendments to HKAS 21 *Lack of Exchangeability*

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the condensed consolidated interim financial information.

# Notes to the Condensed Consolidated Interim Financial Information

## 3 SEGMENT AND REVENUE INFORMATION

The executive directors of the Company have been identified as the Group's chief operating decision-maker (the "**CODM**"). The CODM has determined the operating segments based on the reports reviewed by them that are used to make strategic decisions and resources allocation. For management purposes, the Group is organized into business units based on their products and services and has three reportable operating segments as follows:

- (a) Hotels and resorts: operation of hotels and leasing of commercial premises located within the hotel buildings in Saipan and Guam (the "**Hotels & Resorts Segment**");
- (b) Luxury travel retail: sales of luxury and leisure clothing and accessories in retail stores in Saipan, Guam and Hawaii (the "**Luxury Travel Retail Segment**"); and
- (c) Destination services: provision of destination activities including (i) operation of souvenir and convenience stores in Saipan and Guam; (ii) excursion tour operation in Saipan; and (iii) provision of land arrangement and concierge services in Saipan (the "**Destination Services Segment**").

The Group's business activities are conducted predominantly in Saipan, Guam and Hawaii.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that other gains, net, finance income, finance costs as well as corporate and other unallocated expenses are excluded from such measurement.

Segment assets and liabilities information is not disclosed as it is not regularly reviewed by the CODM.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.



# Notes to the Condensed Consolidated Interim Financial Information

## 3 SEGMENT AND REVENUE INFORMATION (Continued)

The segment information provided to the Group's CODM for the reportable segments for the six months ended June 30, 2025 and 2024 are as follows:

|   | For the six months ended June 30, |                                 |                                 |                                 |                                 |                                 | Total                           |                                 |
|---|-----------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|   | Hotels and resorts                |                                 | Luxury travel retail            |                                 | Destination services            |                                 |                                 |                                 |
|   | 2025<br>US\$'000<br>(Unaudited)   | 2024<br>US\$'000<br>(Unaudited) | 2025<br>US\$'000<br>(Unaudited) | 2024<br>US\$'000<br>(Unaudited) | 2025<br>US\$'000<br>(Unaudited) | 2024<br>US\$'000<br>(Unaudited) | 2025<br>US\$'000<br>(Unaudited) | 2024<br>US\$'000<br>(Unaudited) |
| <b>Segment revenue</b>                        |                                   |                                 |                                 |                                 |                                 |                                 |                                 |                                 |
| Sales to external customers                   | 17,332                            | 17,157                          | 3,216                           | 3,506                           | 514                             | 434                             | 21,062                          | 21,097                          |
| Intersegment sales                            | 38                                | 36                              | —                               | —                               | —                               | —                               | 38                              | 36                              |
| <b>Total segment revenue</b>                  | <b>17,370</b>                     | <b>17,193</b>                   | <b>3,216</b>                    | <b>3,506</b>                    | <b>514</b>                      | <b>434</b>                      | <b>21,100</b>                   | <b>21,133</b>                   |
| Reconciliation:                               |                                   |                                 |                                 |                                 |                                 |                                 |                                 |                                 |
| Elimination of intersegment sales             |                                   |                                 |                                 |                                 |                                 |                                 | (38)                            | (36)                            |
|   |                                   |                                 |                                 |                                 |                                 |                                 | <b>21,062</b>                   | <b>21,097</b>                   |
| <b>Segment results</b>                        | <b>(5,699)</b>                    | <b>(5,784)</b>                  | <b>(596)</b>                    | <b>(333)</b>                    | <b>(226)</b>                    | <b>(111)</b>                    | <b>(6,521)</b>                  | <b>(6,228)</b>                  |
| Other gains, net                              |                                   |                                 |                                 |                                 |                                 |                                 | 72                              | 1                               |
| Corporate and other unallocated expenses      |                                   |                                 |                                 |                                 |                                 |                                 | (637)                           | (806)                           |
| Finance costs                                 |                                   |                                 |                                 |                                 |                                 |                                 | (2,633)                         | (2,710)                         |
| <b>Loss before tax</b>                        |                                   |                                 |                                 |                                 |                                 |                                 | <b>(9,719)</b>                  | <b>(9,743)</b>                  |
| Income tax                                    |                                   |                                 |                                 |                                 |                                 |                                 | —                               | —                               |
| <b>Loss for the period</b>                    |                                   |                                 |                                 |                                 |                                 |                                 | <b>(9,719)</b>                  | <b>(9,743)</b>                  |
| <b>Other segment information:</b>             |                                   |                                 |                                 |                                 |                                 |                                 |                                 |                                 |
| Depreciation of property, plant and equipment | 4,950                             | 5,287                           | 264                             | 254                             | 22                              | 31                              | 5,236                           | 5,572                           |
| Depreciation of investment properties         | 9                                 | 7                               | —                               | —                               | —                               | —                               | 9                               | 7                               |
| Amortization of intangible assets             | 12                                | 8                               | 1                               | —                               | 1                               | —                               | 14                              | 8                               |
| Provision for obsolete inventories            | —                                 | 12                              | 3                               | —                               | —                               | —                               | 3                               | 12                              |
| Write-off of other receivables                | 132                               | —                               | —                               | —                               | —                               | —                               | 132                             | —                               |
| Write-off of property, plant and equipment    | —                                 | 4                               | —                               | —                               | —                               | —                               | —                               | 4                               |
| Capital expenditure*: Segment assets          | 578                               | 1,087                           | 12                              | 402                             | 21                              | —                               | 611                             | 1,489                           |
| Unallocated assets                            |                                   |                                 |                                 |                                 |                                 |                                 | 2                               | —                               |
|   |                                   |                                 |                                 |                                 |                                 |                                 | <b>613</b>                      | <b>1,489</b>                    |

\* Capital expenditure consists of addition of property, plant and equipment, investment properties and intangible assets except right-of-use assets.

# Notes to the Condensed Consolidated Interim Financial Information

## 3 SEGMENT AND REVENUE INFORMATION *(Continued)*

An analysis of revenue is as follows:

|   | <b>For the six months ended June 30,</b> |             |
|---|--|-------------|
|   | <b>2025</b>                              | 2024        |
|   | <b>US\$'000</b>                          | US\$'000    |
|   | <b>(Unaudited)</b>                       | (Unaudited) |
| <i>Revenue from contracts with customers</i>              |  |             |
| Hotels and resorts operations                             | <b>17,240</b>                            | 17,077      |
| Luxury retail, souvenir and convenience stores operations | <b>3,657</b>                             | 3,876       |
| Excursion tours and land arrangement services             | <b>73</b>                                | 64          |
|   | <b>20,970</b>                            | 21,017      |
| <i>Revenue from other sources</i>                         |  |             |
| Rental income   | <b>92</b>                                | 80          |
|   | <b>21,062</b>                            | 21,097      |

# Notes to the Condensed Consolidated Interim Financial Information

## 3 SEGMENT AND REVENUE INFORMATION *(Continued)*

### (a) Disaggregated revenue information

**For the six months ended June 30, 2025**

| Segments   | Hotels and resorts<br>US\$'000<br>(Unaudited) | Luxury travel retail<br>US\$'000<br>(Unaudited) | Destination services<br>US\$'000<br>(Unaudited) | Total<br>US\$'000<br>(Unaudited) |
|--|---|---|---|----------------------------------|
| <b>Types of goods or services</b>                                      |   |   |   |                                  |
| <i>Revenue from contracts with customers</i>                           |   |   |   |                                  |
| – Room charge  | 12,331  | –   | –   | 12,331                           |
| – Food and beverage  | 4,452   | –   | –   | 4,452                            |
| – Sale of luxury and leisure clothing and accessories                  | –   | 3,216   | –   | 3,216                            |
| – Sale of souvenirs and others   | –   | –   | 441   | 441                              |
| – Operating excursion tours and rendering of land arrangement services | –   | –   | 73  | 73                               |
| – Other hospitality (Note (i))   | 457   | –   | –   | 457                              |
| Total revenue from contracts with customers                            | 17,240  | 3,216   | 514   | 20,970                           |
| <i>Revenue from other sources</i>                                      |   |   |   |                                  |
| – Rental income (Note (iii))   | 92  | –   | –   | 92                               |
| Total revenue  | 17,332  | 3,216   | 514   | 21,062                           |



# Notes to the Condensed Consolidated Interim Financial Information

## 3 SEGMENT AND REVENUE INFORMATION (Continued)

### (a) Disaggregated revenue information (Continued)

For the six months ended June 30, 2025 (Continued)

| Segments                                     | Hotels and resorts<br>US\$'000<br>(Unaudited) | Luxury travel retail<br>US\$'000<br>(Unaudited) | Destination services<br>US\$'000<br>(Unaudited) | Total<br>US\$'000<br>(Unaudited) |
|--|---|---|---|----------------------------------|
| <b>Geographical markets</b>                  |   |   |   |                                  |
| <i>Revenue from contracts with customers</i> |   |   |   |                                  |
| — Saipan                                     | 6,878   | 485   | 402   | 7,765                            |
| — Guam                                       | 10,362  | 1,806   | 112   | 12,280                           |
| — Hawaii                                     | —   | 925   | —   | 925                              |
| Total revenue from contracts with customers  | 17,240  | 3,216   | 514   | 20,970                           |
| <i>Revenue from other sources</i>            |   |   |   |                                  |
| — Rental income (Note (ii))                  | 92  | —   | —   | 92                               |
| Total revenue                                | 17,332  | 3,216   | 514   | 21,062                           |
| <b>Timing of revenue recognition</b>         |   |   |   |                                  |
| <i>Revenue from contracts with customers</i> |   |   |   |                                  |
| — Goods transferred at a point in time       | 4,909   | 3,216   | 357   | 8,482                            |
| — Services transferred over time             | 12,331  | —   | 157   | 12,488                           |
| Total revenue from contracts with customers  | 17,240  | 3,216   | 514   | 20,970                           |
| <i>Revenue from other sources</i>            |   |   |   |                                  |
| — Rental income (Note (iii))                 | 92  | —   | —   | 92                               |
| Total revenue                                | 17,332  | 3,216   | 514   | 21,062                           |

# Notes to the Condensed Consolidated Interim Financial Information

## 3 SEGMENT AND REVENUE INFORMATION (Continued)

### (a) Disaggregated revenue information (Continued)

For the six months ended June 30, 2024

| Segments | Hotels and<br>resorts<br>US\$'000<br>(Unaudited) | Luxury travel<br>retail<br>US\$'000<br>(Unaudited) | Destination<br>services<br>US\$'000<br>(Unaudited) | Total<br>US\$'000<br>(Unaudited) |
|----------|--|--|--|----------------------------------|
|----------|--|--|--|----------------------------------|

#### Types of goods or services

Revenue from contracts with customers

|  |        |       |     |        |
|--|--------|-------|-----|--------|
| – Room charge  | 12,430 | –     | –   | 12,430 |
| – Food and beverage  | 4,214  | –     | –   | 4,214  |
| – Sale of luxury and leisure clothing<br>and accessories                     | –      | 3,506 | –   | 3,506  |
| – Sale of souvenirs and others   | –      | –     | 370 | 370    |
| – Operating excursion tours and<br>rendering of land arrangement<br>services | –      | –     | 64  | 64     |
| – Other hospitality (Note (i))   | 433    | –     | –   | 433    |

Total revenue from contracts with  
customers

|        |       |     |        |
|--------|-------|-----|--------|
| 17,077 | 3,506 | 434 | 21,017 |
|--------|-------|-----|--------|

Revenue from other sources

|                             |    |   |   |    |
|-----------------------------|----|---|---|----|
| – Rental income (Note (ii)) | 80 | – | – | 80 |
|-----------------------------|----|---|---|----|

Total revenue

|        |       |     |        |
|--------|-------|-----|--------|
| 17,157 | 3,506 | 434 | 21,097 |
|--------|-------|-----|--------|

#### Geographical markets

Revenue from contracts with customers

|          |       |       |     |        |
|----------|-------|-------|-----|--------|
| – Saipan | 7,119 | 870   | 346 | 8,335  |
| – Guam   | 9,958 | 1,700 | 88  | 11,746 |
| – Hawaii | –     | 936   | –   | 936    |

Total revenue from contracts with  
customers

|        |       |     |        |
|--------|-------|-----|--------|
| 17,077 | 3,506 | 434 | 21,017 |
|--------|-------|-----|--------|

Revenue from other sources

|                             |    |   |   |    |
|-----------------------------|----|---|---|----|
| – Rental income (Note (ii)) | 80 | – | – | 80 |
|-----------------------------|----|---|---|----|

Total revenue

|        |       |     |        |
|--------|-------|-----|--------|
| 17,157 | 3,506 | 434 | 21,097 |
|--------|-------|-----|--------|

# Notes to the Condensed Consolidated Interim Financial Information

## 3 SEGMENT AND REVENUE INFORMATION *(Continued)*

### (a) Disaggregated revenue information *(Continued)*

*For the six months ended June 30, 2024 (Continued)*

| Segments | Hotels and<br>resorts<br>US\$'000<br>(Unaudited) | Luxury travel<br>retail<br>US\$'000<br>(Unaudited) | Destination<br>services<br>US\$'000<br>(Unaudited) | Total<br>US\$'000<br>(Unaudited) |
|----------|--|--|--|----------------------------------|
|----------|--|--|--|----------------------------------|

#### Timing of revenue recognition

*Revenue from contracts with customers*

|  |        |       |     |        |
|--|--------|-------|-----|--------|
| — Goods transferred at a point in time | 4,647  | 3,506 | 295 | 8,448  |
| — Services transferred over time       | 12,430 | —     | 139 | 12,569 |

Total revenue from contracts with  
customers

|        |       |     |        |
|--------|-------|-----|--------|
| 17,077 | 3,506 | 434 | 21,017 |
|--------|-------|-----|--------|

*Revenue from other sources*

|                             |    |   |   |    |
|-----------------------------|----|---|---|----|
| — Rental income (Note (ii)) | 80 | — | — | 80 |
|-----------------------------|----|---|---|----|

Total revenue

|        |       |     |        |
|--------|-------|-----|--------|
| 17,157 | 3,506 | 434 | 21,097 |
|--------|-------|-----|--------|

Notes:

- (i) Other hospitality mainly represents late check-out charges, cancellation charges, laundry income, sales of items from mini bar, smoking fee and extra bed charges.
- (ii) Rental income mainly represents income derived from lease of hotel space to third-party operating services and facilities.
- (iii) No revenue recognized during the period ended June 30, 2025 related to performance obligations satisfied or partially satisfied in previous periods (six months ended June 30, 2024: Nil).

# Notes to the Condensed Consolidated Interim Financial Information

## 4 OTHER GAINS, NET

For the six months ended June 30,

|  | 2025<br>US\$'000<br>(Unaudited) | 2024<br>US\$'000<br>(Unaudited) |
|--|---------------------------------|---------------------------------|
| Net exchange (losses)/gains                        | (1)                             | 1                               |
| Gains on disposal of property, plant and equipment | 73                              | —                               |
|  | <b>72</b>                       | <b>1</b>                        |

## 5 FINANCE COSTS

For the six months ended June 30,

|   | 2025<br>US\$'000<br>(Unaudited) | 2024<br>US\$'000<br>(Unaudited) |
|---|---------------------------------|---------------------------------|
| Interest expense on lease liabilities         | 394                             | 414                             |
| Interest expenses on bank borrowings          | 1,481                           | 1,852                           |
| Interest expenses on other borrowings         | 640                             | 444                             |
| Imputed interest expenses on other borrowings | 118                             | —                               |
|   | <b>2,633</b>                    | <b>2,710</b>                    |



# Notes to the Condensed Consolidated Interim Financial Information

## 6 LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

|   |    | For the six months ended June 30, |                                 |
|---|----|-----------------------------------|---------------------------------|
| Note  |    | 2025<br>US\$'000<br>(Unaudited)   | 2024<br>US\$'000<br>(Unaudited) |
| Cost of inventories sold  |    | 1,883                             | 2,053                           |
| Food and beverage costs   |    | 1,424                             | 1,269                           |
| Employee benefit expenses (including directors' remuneration):      |    |                                   |                                 |
| Wages, salaries and other benefits                                  |    | 7,325                             | 7,293                           |
| Pension scheme contributions (defined contribution scheme)*         |    | 32                                | 21                              |
|   |    | <b>7,357</b>                      | <b>7,314</b>                    |
| Lease payments not included in the measurement of lease liabilities |    | 520                               | 482                             |
| Write-off of other receivables                                      |    | 132                               | —                               |
| Depreciation of property, plant and equipment                       | 10 | 5,236                             | 5,572                           |
| Write-off of property, plant and equipment                          | 10 | —                                 | 4                               |
| Depreciation of investment properties                               | 11 | 9                                 | 7                               |
| Amortization of intangible assets                                   | 12 | 14                                | 8                               |
| Provision for obsolete inventories                                  | 13 | 3                                 | 12                              |

\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

# Notes to the Condensed Consolidated Interim Financial Information

## 7 INCOME TAX

No provision for Hong Kong, the Commonwealth of the Northern Mariana Islands (the “**CNMI**”), Guam and Hawaii profits tax has been made for the six months ended June 30, 2025 and 2024 as the Group did not generate any assessable profits arising in Hong Kong, the CNMI, Guam and Hawaii during these periods.

The Group’s subsidiaries incorporated in the CNMI, Guam and Hawaii were subject to corporate income tax rate of 21%.

The CNMI imposes progressive (1.5% to 5%) business gross receipt tax payments (“**BGRT**”). Companies incorporated and operating in the CNMI are entitled to use BGRT as tax credits in deriving the corporate income tax during the six months ended June 30, 2025 and 2024.

## 8 LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the period attributable to owners of the Company of US\$9,590,000 (six months ended June 30, 2024: US\$9,667,000), and the weighted average number of ordinary shares of 360,000,000 (six months ended June 30, 2024: 360,000,000) in issue during the reporting period.

No adjustment has been made to the basic loss per share amount presented for each of the periods ended June 30, 2025 and 2024 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during each of the periods ended June 30, 2025 and 2024.

# Notes to the Condensed Consolidated Interim Financial Information

## 9 DIVIDEND

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

## 10 PROPERTY, PLANT AND EQUIPMENT

|  | Right-of-use<br>assets<br>US\$'000 | Buildings<br>US\$'000 | Renovation<br>and leasehold<br>improvements<br>US\$'000 | Plant and<br>machinery<br>US\$'000 | Furniture,<br>fixtures and<br>equipment<br>US\$'000 | Motor<br>vehicles<br>US\$'000 | Construction<br>in progress<br>US\$'000 | Total<br>US\$'000 |
|--|------------------------------------|-----------------------|---|------------------------------------|---|-------------------------------|---|-------------------|
| <b>June 30, 2025 (Unaudited)</b>           |                                    |                       |   |                                    |   |                               |   |                   |
| <b>At January 1, 2025:</b>                 |                                    |                       |   |                                    |   |                               |   |                   |
| Cost                                       | 24,686                             | 48,672                | 79,048  | 21,843                             | 22,038  | 961                           | 2,842                                   | 200,090           |
| Accumulated depreciation and<br>impairment | (10,235)                           | (32,077)              | (15,708)  | (9,668)                            | (10,834)  | (940)                         | (2,842)                                 | (82,304)          |
| Net carrying amount                        | 14,451                             | 16,595                | 63,340  | 12,175                             | 11,204  | 21                            | –                                       | 117,786           |
| <b>Net carrying amount:</b>                |                                    |                       |   |                                    |   |                               |   |                   |
| At January 1, 2025                         | 14,451                             | 16,595                | 63,340  | 12,175                             | 11,204  | 21                            | –                                       | 117,786           |
| Additions                                  | 21                                 | 151                   | 82  | 122                                | 255   | –                             | –                                       | 631               |
| Transfer to investment<br>properties       | –                                  | (3)                   | –   | –                                  | –   | –                             | –                                       | (3)               |
| Reversal of impairment                     | 121                                | –                     | –   | 711                                | 6   | –                             | 2,842                                   | 3,680             |
| Write-off                                  | (121)                              | –                     | –   | (711)                              | (6)   | –                             | (2,842)                                 | (3,680)           |
| Depreciation provided during<br>the period | (381)                              | (370)                 | (1,869)   | (658)                              | (1,952)   | (6)                           | –                                       | (5,236)           |
| At June 30, 2025                           | 14,091                             | 16,373                | 61,553  | 11,639                             | 9,507   | 15                            | –                                       | 113,178           |
| <b>At June 30, 2025:</b>                   |                                    |                       |   |                                    |   |                               |   |                   |
| Cost                                       | 22,845                             | 44,320                | 79,130  | 18,878                             | 20,796  | 914                           | –                                       | 186,883           |
| Accumulated depreciation and<br>impairment | (8,754)                            | (27,947)              | (17,577)  | (7,239)                            | (11,289)  | (899)                         | –                                       | (73,705)          |
| Net carrying amount                        | 14,091                             | 16,373                | 61,553  | 11,639                             | 9,507   | 15                            | –                                       | 113,178           |

# Notes to the Condensed Consolidated Interim Financial Information

## 10 PROPERTY, PLANT AND EQUIPMENT (Continued)

|   | Right-of-use<br>assets<br>US\$'000 | Buildings<br>US\$'000 | Renovation<br>and leasehold<br>improvements<br>US\$'000 | Plant and<br>machinery<br>US\$'000 | Furniture,<br>fixtures and<br>equipment<br>US\$'000 | Motor<br>vehicles<br>US\$'000 | Construction in<br>progress<br>US\$'000 | Total<br>US\$'000 |
|---|------------------------------------|-----------------------|---|------------------------------------|---|-------------------------------|---|-------------------|
| <b>June 30, 2024 (Unaudited)</b>        |                                    |                       |   |                                    |   |                               |   |                   |
| <b>At January 1, 2024:</b>              |                                    |                       |   |                                    |   |                               |   |                   |
| Cost                                    | 24,743                             | 48,680                | 77,310  | 21,145                             | 21,661  | 961                           | 3,057                                   | 197,557           |
| Accumulated depreciation and impairment | (9,030)                            | (31,120)              | (12,055)  | (7,406)                            | (6,981)   | (923)                         | —                                       | (67,515)          |
| Net carrying amount                     | 15,713                             | 17,560                | 65,255  | 13,739                             | 14,680  | 38                            | 3,057                                   | 130,042           |
| <b>Net carrying amount:</b>             |                                    |                       |   |                                    |   |                               |   |                   |
| At January 1, 2024                      | 15,713                             | 17,560                | 65,255  | 13,739                             | 14,680  | 38                            | 3,057                                   | 130,042           |
| Additions                               | —                                  | —                     | 848   | 428                                | 213   | —                             | —                                       | 1,489             |
| Transfer from construction in progress  | —                                  | —                     | 78  | —                                  | —   | —                             | (78)                                    | —                 |
| Reclassification                        | —                                  | —                     | —   | —                                  | —   | —                             | (105)                                   | (105)             |
| Write-off                               | —                                  | —                     | —   | —                                  | —   | —                             | (4)                                     | (4)               |
| Depreciation provided during the period | (559)                              | (481)                 | (1,813)   | (799)                              | (1,912)   | (8)                           | —                                       | (5,572)           |
| At June 30, 2024                        | 15,154                             | 17,079                | 64,368  | 13,368                             | 12,981  | 30                            | 2,870                                   | 125,850           |
| <b>At June 30, 2024:</b>                |                                    |                       |   |                                    |   |                               |   |                   |
| Cost                                    | 24,743                             | 48,680                | 78,236  | 21,573                             | 21,874  | 961                           | 2,870                                   | 198,937           |
| Accumulated depreciation and impairment | (9,589)                            | (31,601)              | (13,868)  | (8,205)                            | (8,893)   | (931)                         | —                                       | (73,087)          |
| Net carrying amount                     | 15,154                             | 17,079                | 64,368  | 13,368                             | 12,981  | 30                            | 2,870                                   | 125,850           |

As at June 30, 2025, certain hotel assets of the Group of US\$96,482,000 (December 31, 2024: US\$99,621,000) have been pledged as security for the banking facilities as disclosed in note 18 to the condensed consolidated interim financial information.



# Notes to the Condensed Consolidated Interim Financial Information

## 11 INVESTMENT PROPERTIES

|   | 2025<br>US\$'000<br>(Unaudited) | 2024<br>US\$'000<br>(Unaudited) |
|---|---------------------------------|---------------------------------|
| <b>At January 1:</b>                        |                                 |                                 |
| Cost  | 836                             | 817                             |
| Accumulated depreciation                    | (480)                           | (464)                           |
| Net carrying amount                         | 356                             | 353                             |
| <b>Net carrying amount:</b>                 |                                 |                                 |
| At January 1                                | 356                             | 353                             |
| Transfer from property, plant and equipment | 3                               | —                               |
| Depreciation provided during the period     | (9)                             | (7)                             |
| At June 30                                  | 350                             | 346                             |
| <b>At June 30:</b>                          |                                 |                                 |
| Cost  | 839                             | 817                             |
| Accumulated depreciation                    | (489)                           | (471)                           |
| Net carrying amount                         | 350                             | 346                             |

As at June 30, 2025, all investment properties of the Group of US\$350,000 (December 31, 2024: US\$356,000), have been pledged as security for the banking facilities as disclosed in note 18 to the condensed consolidated interim financial information.

# Notes to the Condensed Consolidated Interim Financial Information

## 12 INTANGIBLE ASSETS

|   | <b>Computer software</b> |             |
|---|--------------------------|-------------|
|   | <b>2025</b>              | 2024        |
|   | <b>US\$'000</b>          | US\$'000    |
|   | <b>(Unaudited)</b>       | (Unaudited) |
| <b>At January 1:</b>                    |                          |             |
| Cost                                    | <b>844</b>               | 830         |
| Accumulated amortization                | <b>(806)</b>             | (784)       |
| Net carrying amount                     | <b>38</b>                | 46          |
| <b>Net carrying amount:</b>             |                          |             |
| At January 1                            | <b>38</b>                | 46          |
| Additions                               | <b>3</b>                 | —           |
| Amortization provided during the period | <b>(14)</b>              | (8)         |
| At June 30                              | <b>27</b>                | 38          |
| <b>At June 30:</b>                      |                          |             |
| Cost                                    | <b>657</b>               | 830         |
| Accumulated amortization                | <b>(630)</b>             | (792)       |
| Net carrying amount                     | <b>27</b>                | 38          |

# Notes to the Condensed Consolidated Interim Financial Information

## 13 INVENTORIES

|                   | <b>As at<br/>June 30,<br/>2025<br/>US\$'000<br/>(Unaudited)</b> | <b>As at<br/>December 31,<br/>2024<br/>US\$'000<br/>(Audited)</b> |
|-------------------|---|---|
| Merchandises      | <b>2,969</b>  | 3,272   |
| Food and beverage | <b>213</b>  | 229   |
| Others            | <b>33</b>   | 90  |
|                   | <b>3,215</b>  | 3,591   |

During the six months ended June 30, 2025, the Group made a provision of approximately US\$3,000 (six months ended June 30, 2024: US\$12,000) for slow moving inventories which was included in other operating costs.

## 14 TRADE RECEIVABLES

|                          | <b>As at<br/>June 30,<br/>2025<br/>US\$'000<br/>(Unaudited)</b> | <b>As at<br/>December 31,<br/>2024<br/>US\$'000<br/>(Audited)</b> |
|--------------------------|---|---|
| Trade receivables (Note) | <b>2,257</b>  | 2,492   |
| Impairment               | <b>(529)</b>  | (589)   |
|                          | <b>1,728</b>  | 1,903   |

# Notes to the Condensed Consolidated Interim Financial Information

## 14 TRADE RECEIVABLES *(Continued)*

Note:

The Group's sale to tour operators on a wholesale basis, traditional travel agents and several corporate customers are mainly on credit and the credit term is generally 30 days from the invoice date. As at June 30, 2025 and December 31, 2024, the aging analysis of the trade receivables based on invoice date and net of loss allowance, were as follows:

|                | As at<br>June 30,<br>2025<br>US\$'000<br>(Unaudited) | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|----------------|--|--|
| Within 30 days | 408  | 575  |
| 31 to 60 days  | 13   | 16   |
| 61 to 90 days  | 5  | 8  |
| Over 90 days   | 1,302  | 1,304  |
|                | <b>1,728</b>   | <b>1,903</b>   |

The maximum exposure to credit risk at the reporting date was the carrying value mentioned above. The Group did not hold any collateral as security. The carrying amounts of trade receivables approximate their fair values and are denominated in US\$.



# Notes to the Condensed Consolidated Interim Financial Information

## 15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

|                                      | <b>As at<br/>June 30,<br/>2025<br/>US\$'000<br/>(Unaudited)</b> | <b>As at<br/>December 31,<br/>2024<br/>US\$'000<br/>(Audited)</b> |
|--------------------------------------|---|---|
| Deposits                             | 844   | 846   |
| Prepayments                          | 2,407   | 2,538   |
| Other receivables                    | 509   | 539   |
|                                      | <b>3,760</b>  | <b>3,923</b>  |
| Portion classified as current assets | <b>(1,790)</b>  | <b>(2,501)</b>  |
| Non-current portion                  | <b>1,970</b>  | <b>1,422</b>  |

The maximum exposure to credit risk at the reporting date is the carrying amounts of deposits and other receivables mentioned above. The Group does not hold collateral as security.

The carrying amounts of prepayments, deposits and other receivables approximate their fair values and are denominated in the following currencies:

|      | <b>As at<br/>June 30,<br/>2025<br/>US\$'000<br/>(Unaudited)</b> | <b>As at<br/>December 31,<br/>2024<br/>US\$'000<br/>(Audited)</b> |
|------|---|---|
| US\$ | 3,724   | 3,885   |
| HK\$ | 36  | 38  |
|      | <b>3,760</b>  | <b>3,923</b>  |

# Notes to the Condensed Consolidated Interim Financial Information

## 16 ISSUED SHARE CAPITAL AND SHARE PREMIUM

Ordinary shares of HK\$0.01 each, issued and fully paid:

|   | Number of<br>shares | Nominal value<br>of ordinary<br>shares<br>US\$'000 | Share<br>premium<br>US\$'000 |
|---|---------------------|--|------------------------------|
| December 31, 2024 (Audited)<br>and June 30, 2025<br>(Unaudited) | 360,000,000         | 461  | 38,122                       |

## 17 TRADE AND OTHER PAYABLES

|                                   | As at<br>June 30,<br>2025<br>US\$'000<br>(Unaudited) | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|-----------------------------------|--|--|
| Trade payables                    |  |  |
| — to third parties (Note (i))     | 3,399  | 3,291  |
| — to related parties (Note (iii)) | 1,031  | 917  |
| Total trade payables              | 4,430  | 4,208  |
| Accruals and other payables       |  |  |
| — Accrued staff salaries          | 578  | 504  |
| — Other taxes payable             | 352  | 503  |
| — Other accruals and payables     | 6,140  | 6,642  |
|                                   | 7,070  | 7,649  |
|                                   | 11,500   | 11,857   |

# Notes to the Condensed Consolidated Interim Financial Information

## 17 TRADE AND OTHER PAYABLES *(Continued)*

Notes:

- (i) Trade payables to third parties

The aging analysis of the trade payables to third parties based on invoice date is as follows:

|                | <b>As at<br/>June 30,<br/>2025<br/>US\$'000<br/>(Unaudited)</b> | <b>As at<br/>December 31,<br/>2024<br/>US\$'000<br/>(Audited)</b> |
|----------------|---|---|
| Within 30 days | <b>2,113</b>  | 1,607   |
| 31 to 60 days  | <b>306</b>  | 516   |
| 61 to 90 days  | <b>162</b>  | 150   |
| Over 90 days   | <b>818</b>  | 1,018   |
|                | <b>3,399</b>  | 3,291   |

- (ii) Trade payables to related parties

As at June 30, 2025 and December 31, 2024, the trade payables to related parties are unsecured, interest-free and with credit term of 30 days.

The aging analysis of trade payables to related parties based on invoice date is as follows:

|                | <b>As at<br/>June 30,<br/>2025<br/>US\$'000<br/>(Unaudited)</b> | <b>As at<br/>December 31,<br/>2024<br/>US\$'000<br/>(Audited)</b> |
|----------------|---|---|
| Within 30 days | <b>121</b>  | 123   |
| 31 to 60 days  | <b>54</b>   | 118   |
| 61 to 90 days  | <b>50</b>   | 59  |
| Over 90 days   | <b>806</b>  | 617   |
|                | <b>1,031</b>  | 917   |

# Notes to the Condensed Consolidated Interim Financial Information

## 17 TRADE AND OTHER PAYABLES (Continued)

The carrying amounts of trade and other payables approximate their fair values and are denominated in the following currencies:

|      | As at<br>June 30,<br>2025<br>US\$'000<br>(Unaudited) | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|------|--|--|
| US\$ | 11,385   | 11,670   |
| HK\$ | 115  | 187  |
|      | <b>11,500</b>  | <b>11,857</b>  |

## 18 BANK BORROWINGS

|  | As at<br>June 30,<br>2025<br>US\$'000<br>(Unaudited) | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|--|--|--|
| <b>Current</b>   |  |  |
| Short-term bank borrowing, unsecured   | 5,000  | 5,000  |
| Term loans, secured  |  |  |
| — due for repayment within 1 year which contain a repayment on demand clause | 4,300  | 4,300  |
| — due for repayment after 1 year which contain a repayment on demand clause  | 33,050   | 35,200   |
|  | <b>42,350</b>  | <b>44,500</b>  |

Bank borrowings due for repayment after 1 year which contain a repayment on demand clause is classified as a current liability.



# Notes to the Condensed Consolidated Interim Financial Information

## 18 BANK BORROWINGS *(Continued)*

The expected repayment dates of the Group's bank borrowings that are repayable on demand, with reference to schedules of repayments set out in the loan agreements are as follows:

|                                  | As at<br>June 30,<br>2025<br>US\$'000<br>(Unaudited) | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|----------------------------------|--|--|
| Within 1 year                    | 4,300  | 4,300  |
| After 1 year but within 2 years  | 26,609   | 15,833   |
| After 2 years but within 5 years | 6,441  | 19,367   |
|                                  | <b>37,350</b>  | 39,500   |

The effective interest rate of the bank borrowings was 6.99% per annum for the six months ended June 30, 2025 (December 31, 2024: 7.88%).

The carrying amount of the Group's bank borrowings approximate their fair value and are denominated in US\$.

The Group's banking facility is secured and guaranteed by (i) certain property, plant and equipment and investment properties owned by the Group with carrying amounts of US\$96,482,000 (December 31, 2024: US\$99,621,000) and US\$350,000 (December 31, 2024: US\$356,000), respectively, and (ii) corporate guarantee provided by the Company and its subsidiaries.

# Notes to the Condensed Consolidated Interim Financial Information

## 19 OTHER BORROWINGS

|  | As at<br>June 30,<br>2025<br>US\$'000<br>(Unaudited) | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|--|--|--|
| <b>Non-current</b>                     |  |  |
| Shareholder's loan                     | 36,952   | 31,442   |
| Director's loan                        | 1,000  | 800  |
|  | <b>37,952</b>  | <b>32,242</b>  |
| <b>Current</b>                         |  |  |
| Shareholder's loan — imputed interests | 353  | 245  |
| Accrued interests                      | 1,081  | 440  |
|  | <b>1,434</b>   | <b>685</b>   |
|  | <b>39,386</b>  | <b>32,927</b>  |

The expected repayment dates of the Group's other borrowings are as follows:

|                                  | As at<br>June 30,<br>2025<br>US\$'000<br>(Unaudited) | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|----------------------------------|--|--|
| Within 1 year                    | 1,435  | 685  |
| After 1 year but within 2 years  | 256  | 268  |
| After 2 years but within 5 years | 24,700   | 11,035   |
| Over 5 years                     | 12,995   | 20,939   |
|                                  | <b>39,386</b>  | <b>32,927</b>  |

# Notes to the Condensed Consolidated Interim Financial Information

## 19 OTHER BORROWINGS *(Continued)*

Since 2022, the Group entered into six loan agreements with Tan Holdings, a controlling shareholder of the Company, for a total of six unsecured, interest-bearing loan facilities for the purpose of financing the general working capital of the Group, as detailed below:

|    | Date of Loan Agreement | Amount of Loan Facility | Interest Rate | Maturity Date      |
|----|------------------------|-------------------------|---------------|--------------------|
| 1. | August 30, 2022        | US\$5,000,000           | 2% per annum  | August 29, 2030*   |
| 2. | December 16, 2022      | US\$8,000,000           | 2% per annum  | December 15, 2029* |
| 3. | February 28, 2023      | US\$8,000,000           | 2% per annum  | February 27, 2030* |
| 4. | August 1, 2023         | US\$7,000,000           | 5% per annum  | July 31, 2030*     |
| 5. | February 29, 2024      | US\$4,000,000           | 5% per annum  | February 28, 2031* |
| 6. | November 26, 2024      | US\$11,000,000          | 5% per annum  | November 25, 2029  |

\* On December 2, 2024, the Group obtained an extension of 5 years on the loan repayment dates of each of the loan agreements with Tan Holdings.

On December 31, 2024, the Group obtained a waiver from Tan Holdings for loan interest totaling US\$961,000 for the financial year concluded on that date.

The interest rates charged on Loans 1 to 3 are below the prevailing market interest rates. An aggregated imputed interest of approximately US\$1,848,000 for these loans was calculated based on the difference between the prevailing market interest rates and the nominal interest rates. This amount has been recognized in the capital reserve as a deemed contribution from a shareholder for the year ended December 31, 2024. Imputed interest has been deducted from the principal and recognized as capital reserve at initial recognition and subsequently amortized as imputed interest expenses in "Finance costs". During the six-month ended June 30, 2025, imputed interests of US\$118,000 have been amortized and recorded in "Finance costs" in the unaudited condensed consolidated statement of profit or loss and other comprehensive income.

As at June 30, 2025, an amount of US\$38,800,000 (December 31, 2024: US\$33,300,000) shareholder's loan had been drawn down by the Company. The entire amount was classified as a non-current liability, whilst none was classified as current liability.

On November 22, 2024 and March 27, 2025, a subsidiary entered into two loan agreements with Mr. Chiu George, a Director of the Company, for loan facilities of US\$800,000 and US\$200,000, respectively. The loans are unsecured, interest-bearing at 6.0% per annum, and are repayable in 5 years from the date of respective loan agreement.

# Notes to the Condensed Consolidated Interim Financial Information

## 20 CAPITAL COMMITMENTS

Significant capital expenditure contracted for at the end of each reporting period but not recognized as liabilities is as follows:

|                               | <b>As at<br/>June 30,<br/>2025<br/>US\$'000<br/>(Unaudited)</b> | <b>As at<br/>December 31,<br/>2024<br/>US\$'000<br/>(Audited)</b> |
|-------------------------------|---|---|
| Property, plant and equipment | <b>166</b>  | 600   |



# Notes to the Condensed Consolidated Interim Financial Information

## 21 RELATED PARTY TRANSACTIONS

### (a) Significant transactions with related parties:

Save as disclosed elsewhere in the unaudited condensed consolidated interim financial information, during the six months ended June 30, 2025 and 2024, the following significant transactions were carried out with related parties:

|  |   | For the six months ended June 30, |                                 |
|--|---|-----------------------------------|---------------------------------|
| Company name   | Nature of transactions                    | 2025<br>US\$'000<br>(Unaudited)   | 2024<br>US\$'000<br>(Unaudited) |
| Companies controlled by the Controlling Shareholder:               |   |                                   |                                 |
| CTSI Holdings Limited and its subsidiaries                         | Freight forwarding and logistics expenses | 144                               | 173                             |
|  | Shared-services expenses                  | 3                                 | 3                               |
| Luen Thai International Development Limited                        | Rental expenses and expenses charged      | —                                 | 32                              |
| Tan Holdings   | Interest expense                          | 614                               | 444                             |
| Company controlled by close family of the Controlling Shareholder: |   |                                   |                                 |
| Quanzhou Century Tour Investment Co., Ltd. and its subsidiaries    | Hotel service income                      | 594                               | 1,397                           |
| Fellow subsidiaries:   |   |                                   |                                 |
| Beach Road Tourism Development, Inc.                               | Rental expenses and expenses charged      | 113                               | 118                             |
| Cosmos Distributing Co. Ltd.                                       | Purchase of merchandises                  | 42                                | 44                              |
| D&Q Co. Ltd.   | Purchase of merchandises                  | 24                                | 36                              |
| L&T Group of Companies Ltd.  | Shared-services expenses                  | 88                                | 204                             |
|  | Staff costs charges                       | —                                 | 59                              |
|  | Hotel service income                      | 57                                | 67                              |
|  | Rental expenses and expenses charged      | 28                                | 29                              |
| Pacific Oriental Inc.  | Rental expenses and expenses charged      | 9                                 | 12                              |
| TakeCare Insurance Company Inc.                                    | Insurance expense                         | 475                               | 546                             |

All transactions constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

The pricing of these transactions was determined based on mutual negotiation and agreement between the Group and related parties.

# Notes to the Condensed Consolidated Interim Financial Information

## 21 RELATED PARTY TRANSACTIONS *(Continued)*

### (a) Significant transactions with related parties: *(Continued)*

Outstanding balances and other transactions with related parties:

- (i) Details of the trade payables to related parties at the end of the reporting period are disclosed in note 17(ii) to the condensed consolidated interim financial information.
- (ii) Details of the amounts due from/to related parties (other than the loans from Tan Holdings and a Director of the Company) at the end of the reporting period are as follows:

|  | <b>As at<br/>June 30,<br/>2025<br/>US\$'000<br/>(Unaudited)</b> | As at<br>December 31,<br>2024<br>US\$'000<br>(Audited) |
|--|---|--|
| Due from fellow subsidiaries   | <b>31</b>   | 12   |
| Due from companies controlled by<br>the Controlling Shareholder                    | <b>7</b>  | 19   |
| Due from companies controlled by<br>close family of the Controlling<br>Shareholder | <b>12</b>   | 150  |
| Total amounts due from related<br>parties  | <b>50</b>   | 181  |
| Due to fellow subsidiaries   | <b>216</b>  | 184  |
| Due to companies controlled by the<br>Controlling Shareholder                      | <b>168</b>  | 95   |
| Total amounts due to related parties   | <b>384</b>  | 279  |

As at June 30, 2025 and December 31, 2024, the above balances with related parties were unsecured, interest-free and repayable on demand.

# Notes to the Condensed Consolidated Interim Financial Information

## 21 RELATED PARTY TRANSACTIONS *(Continued)*

### (b) Key management compensation

Key management includes directors and senior management of the Group. The compensation paid or payable to key management for employees' services is shown below:

|   | <b>For the six months ended June 30,</b> |             |
|---|--|-------------|
|   | <b>2025</b>                              | 2024        |
|   | <b>US\$'000</b>                          | US\$'000    |
|   | <b>(Unaudited)</b>                       | (Unaudited) |
| Wage, salaries, bonuses and other allowances and benefits in kind | <b>299</b>                               | 516         |
| Pension costs — defined contribution plan                         | <b>3</b>                                 | 1           |
|   | <b>302</b>                               | 517         |

# Management Discussion and Analysis

The board of directors (the “**Board**”) of S.A.I. Leisure Group Company Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended June 30, 2025 (the “**Reporting Period**”). The relevant financial figures for the corresponding period in 2024 or other dates/periods are also set out in this report for comparative purposes.

## I. BUSINESS OVERVIEW

The recovery of the global economy has slowed down since the start of 2025 due to high tariffs imposed by the United States of America (the “**U.S.**”), trade tensions and policy uncertainty. In view of this, the economic uncertainties and vulnerabilities which existed since the COVID-19 pandemic intensified. Under these circumstances, the recovery of the tourism market in Guam and the Commonwealth of Northern Mariana Islands (the “**CNMI**”) is stalled, and visitor arrivals remained below pre-pandemic levels.

For the first six months of 2025, Guam recorded approximately 336,000 visitor arrivals, which is a decrease of 11.2% when compared to the same period last year and represents approximately 43.2% of the number of visitor arrivals during the same period in 2019 (pre-pandemic). On the other hand, for the first six months of 2025, Saipan recorded approximately 80,000 visitor arrivals, which represents a decrease of 36.2% when compared to the same period last year and represents approximately 32.5% of the number of visitor arrivals during the same period in 2019 (pre-pandemic).

Despite the fact that South Korea remained the leading tourist origin market of both Guam (46.0% of total visitor arrivals for the first six months of 2025) and the CNMI (67.6% of total visitor arrivals for the first six months of 2025), the tourist arrivals from South Korea in Guam and the CNMI declined by 23.2% and 40.1%, respectively, when compared to the same period last year. Visitor arrivals from Japan, another key tourist origin market of Guam, increased by 18.1% when compared to the same period last year, but represents only 35.3% of the number of visitor arrivals in the corresponding period of 2019 (pre-pandemic). On the other hand, Saipan recorded a decrease in visitor arrivals from Japan of 33.2% when compared to the same period of preceding year, representing approximately 68.9% of the number of visitor arrivals from Japan in the same period of 2019 (pre-pandemic).



# Management Discussion and Analysis

Following the tragic plane crash in South Korea in December 2024, the government of South Korea increased governmental oversight and imposed strict maintenance requirements on all Korean low-cost carriers and airlines. Since May 2025, various Korean low-cost carriers have reduced and/or suspended the number of daily flights from Seoul to Guam and Saipan as part of the large-scale suspension of hundreds of routes by the airlines due to declined profitability. On the other hand, the continuously strong U.S. dollar against both the Korean won and Japanese yen diminished the spending power of travelers.

Mainland China is another key tourist origin market for Saipan. However, visitor arrivals from Mainland China dropped precipitously since April 2025 due to an abrupt suspension in the processing of travelers' applications under the CNMI Economic Vitality & Security Travel Authorization Program (the **"CNMI EVS-TAP"**) by the U.S. Customs and Border Protection. This suspension halted the recovery of tourist arrivals from Mainland China to the CNMI and heavily impacted the tourism-related businesses in the CNMI, and the direct flight from Hong Kong to Saipan has been suspended since late April 2025.

Throughout the Reporting Period, Crowne Plaza Resort Guam, Crowne Plaza Resort Saipan and Century Hotel continued to be open for business. On March 27, 2025, after careful consideration as regards the pace of recovery of the leisure tourism market of Saipan and the substantial amount of capital expenditure required for the renovation and rebranding of Kanoa Resort, the Group has decided not to renew the land lease of Kanoa Resort upon its expiry on June 15, 2025, and, accordingly, Kanoa Resort was permanently closed and the property was returned to the Department of Public Lands on the lease expiry date. All luxury travel retail boutiques in Guam, Saipan and Hawaii as well as some of the Group's excursion tours in Saipan continued to be open for business throughout the Reporting Period.

Stepping into the second half of 2025, the Guam Visitors Bureau (the **"GVB"**) continues to take action in accordance with their Short-Term Tactical Plan to address the decline in tourist arrivals and achieve sustainable recovery in the tourism market. Through July to October 2025, various South Korean low-cost carriers and airlines have confirmed to increase flight frequencies from Seoul to Guam, leading to a corresponding increase in tourist arrivals from South Korea to Guam.

On the other hand, the U.S. Customs and Border Protection resumed processing travelers' applications under the CNMI EVS-TAP. In view of this, the management of the Group is optimistic that the direct flight service from Hong Kong to Saipan will resume by late September 2025, leading to a corresponding increase in tourist arrivals from Mainland China to Saipan.

# Management Discussion and Analysis

Furthermore, the CNMI Department of Public Lands issued a “Notice of Intent to Award” in relation to the granting of a Master Concession Agreement for Managaha Island to the Group. Managaha Island is an iconic, small and uninhabited island off the west coast of Saipan. It sits in Saipan’s lagoon and is known for its beautiful beaches, clear water and various water activities. Managaha Island is a popular day-trip destination for tourists and is about five to ten minutes boat rides from our Crowne Plaza Resort Saipan. By entering into the Master Concession Agreement, the Group will be granted the right to operate businesses relating to the transportation to and from Managaha Island, non-motorized marine sports, recreational activities, food, beverages and souvenirs, which could enhance the overall experience of our hotel guests and expand the excursion tours businesses in Saipan under the Destination Services Segment.

## Revenue and Operating Loss

For the Reporting Period, the Group recorded a revenue of approximately US\$21,062,000, maintaining a similar level of revenue as the corresponding period in the preceding year of approximately US\$21,097,000. The total revenue from our Guam businesses increased by 4.6% when compared to the same period in the preceding year, which was offset by a decrease of 6.8% in the total revenue from our Saipan businesses when compared to the same period last year.

During the Reporting Period, Crowne Plaza Resort Guam maintained a similar average room rate and a slight increase in occupancy rate as compared to the same period last year. On the other hand, the average room rate of Crowne Plaza Resort Saipan increased by 7.3% due to the dedicated efforts of the hotel manager, but unfortunately, the halt in the processing of the CNMI EVS-TAP of tourists from Mainland China and the reduction of flights from Seoul to Saipan substantially impacted the number of tourist arrivals. Hence, the occupancy rate of our hotels, as well as the business of our luxury travel retail boutiques and our destination services in Saipan were negatively impacted during the Reporting Period.

For the six months ended June 30, 2025, the operating loss of the Group was approximately US\$7,086,000, maintaining a similar level of operating loss of the Group as compared to the same period last year of approximately US\$7,033,000. With the continuous efforts of the management of the Group in improving operational efficiency as well as implementing effective cost-saving measures, the Group managed to control the costs of the Group during this difficult time. It should also be noted that the said amount of operating loss during the Reporting Period has taken into account, amongst others, the recognition of depreciation and amortization expenses (non-cash items) relating to the Group’s assets of approximately US\$5,259,000.

# Management Discussion and Analysis

Performance of the Group's business is covered in more detail under the "Segmental Review" section below.

## II. SEGMENTAL REVIEW

The Hotels & Resorts Segment, Luxury Travel Retail Segment and Destination Services Segment respectively accounted for approximately 82.3%, 15.3% and 2.4% of the Group's total revenue for the Reporting Period.

### ***Hotels & Resorts Segment***

During the Reporting Period, revenue generated from the Hotels & Resorts Segment was approximately US\$17,332,000, representing a slight increase when compared with the corresponding period in 2024 of approximately US\$17,157,000. As mentioned above, Crowne Plaza Resort Guam increased its revenue by 4.1% due to the increase in the occupancy rate. Such increase was offset by the decrease of 2.6% in the revenue of Crowne Plaza Resort Saipan due to an abrupt suspension in the processing of travelers' application under the CNMI EVS-TAP by the U.S. Customs and Border Protection as well as the reduction in the number of flights from Seoul to Saipan, which resulted in a decline in occupancy rate. On the other hand, no revenue was generated by Kanoa Resort during the Reporting Period as it remained closed until the expiry of the land lease.

For the six months ended June 30, 2025, the Hotels & Resorts Segment has a negative segmental margin of approximately US\$5,699,000, representing a slight decrease in loss when compared to the same period of the preceding year. The management of the Group continued to implement effective cost-saving measures and strived to improve the operation efficiency of both Crowne Plaza resorts to improve the segmental margin. The said amount of negative segmental margin has taken into account, amongst others, (1) the recognition of depreciation and amortization expenses (non-cash items) relating to the Group's assets of approximately US\$4,971,000; and (2) the write-off of assets of Kanoa Resort of approximately US\$132,000.

### ***Crowne Plaza Resort Guam***

For the Reporting Period, revenue from Crowne Plaza Resort Guam increased by US\$412,000, representing an increase of 4.1% as compared to the preceding year and an increase of 6.2% as compared to the revenue of Fiesta Resort Guam (now rebranded as Crowne Plaza Resort Guam) for the six months ended June 30, 2019 (pre-pandemic).

# Management Discussion and Analysis

Although tourist arrivals in Guam declined when compared to the same period last year, the occupancy rate of Crowne Plaza Resort Guam increased during the Reporting Period due to the completion of the re-construction and repair works of the seawall located at the hotel property line, which was damaged by Typhoon Mawar in 2023. The works were carried out in the second quarter of 2024, which negatively impacted the hotel guests' overall experience and thus the resort's occupancy rate in the relevant period.

The Group benefits from the use of the booking engines of the InterContinental Hotels Group ("IHG") and enjoys IHG's marketing and operational support. In addition, perpetual improvement in operation efficiency and optimization of our sales channels and business mix helped enhance customers' loyalty and reduced our reliance on wholesales agents. During the Reporting Period, Crowne Plaza Resort Guam successfully maintained average room rate comparable to the same period last year, resulting in a positive gross operating profit.

## ***Crowne Plaza Resort Saipan***

For the six months ended June 30, 2025, revenue from Crowne Plaza Resort Saipan decreased by approximately US\$184,000 or 2.6% as compared to the same period in the preceding year and represented approximately 43.8% of the revenue of Fiesta Resort Saipan (now rebranded as Crowne Plaza Resort Saipan) for the six months ended June 30, 2019 (pre-pandemic).



# Management Discussion and Analysis

Since late April 2025, an abrupt suspension in the processing of travelers' applications under the CNMI EVS-TAP by the U.S. Customs and Border Protection halted the recovery of tourist arrivals from Mainland China to the CNMI and led to the suspension of the direct flight service from Hong Kong to Saipan. On the other hand, following the tragic plane crash in South Korea in December 2024, the government of South Korea has increased governmental oversight and imposed strict maintenance requirements on all Korean low-cost carriers and airlines. Since May 2025, various Korean low-cost carriers have reduced and/or suspended the number of daily flights from Seoul to Saipan due to declined profitability, which further impacted the number of tourist arrivals in Saipan. The decline in tourist arrivals negatively impacted the occupancy rate of Crowne Plaza Resort Saipan as well as the Group's other tourism-related businesses in Saipan. Nevertheless, the management's dedication in pushing up the average room rate of Crowne Plaza Resort Saipan throughout the Reporting Period helped narrow the decline in revenue.

## ***Kanoa Resort***

Kanoa Resort completed the emergency contract with the CNMI Homeland Security and Emergency Management in July 2022, and remained closed since then. Accordingly, no revenue was generated from Kanoa Resort during the Reporting Period. On March 27, 2025, after careful consideration as regards the pace of recovery of the leisure tourism market of Saipan and the substantial amount of capital expenditure required for the renovation and rebranding of Kanoa Resort, the Group has decided not to renew the land lease of Kanoa Resort upon its expiry on June 15, 2025, and, accordingly, Kanoa Resort was permanently closed and the property was returned to the Department of Public Lands on the lease expiry date.

## ***Luxury Travel Retail Segment***

For the Reporting Period, revenue from the Luxury Travel Retail Segment was approximately US\$3,216,000, representing a decrease of US\$290,000 or 8.3% as compared to the same period in the preceding year. On one hand, revenue from our Guam and Hawaii Luxury Travel Retail businesses in fact increased by US\$95,000 or 3.6% as compared to the same period last year despite the decline in the number of tourist arrivals in Guam. However, on the other hand, revenue from our Saipan Luxury Travel Retail business suffered a substantial decrease of US\$385,000 or 44.3% as compared to the same period last year. This is a result of the decline in the number of tourists arrivals in Saipan from Mainland China and South Korea as mentioned above, coupled with the impact of the continuously strong U.S. dollar as well as economic uncertainties and vulnerabilities, which continued to diminish travelers' spending power.

# Management Discussion and Analysis

For the six months ended June 30, 2025, the Luxury Travel Retail Segment had a negative segmental margin of approximately US\$596,000. The said amount of negative segmental margin has taken into account, amongst others, the recognition of depreciation and amortization expenses (non-cash items) relating to the Group's assets of approximately US\$265,000. During the Reporting Period, the management of the Group continued to implement effective cost-saving measures to alleviate the negative financial impact on the segmental results. With the renovation of our last boutique in Guam being completed in early July 2025, all boutiques have now been relocated to stronger retail spaces, and the management of the Group is cautiously optimistic that segmental profitability would gradually pick up.

## ***Destination Services Segment***

For the Reporting Period, revenue from the Destination Services Segment was approximately US\$514,000, representing an increase of US\$80,000 or 18.4% as compared to corresponding period of the preceding year. The increase in revenue was mainly contributed by the two convenience stores located within the hotel premises of Crowne Plaza Resort Guam and Crowne Plaza Resort Saipan.

For the six months ended June 30, 2025, the segmental loss of the Destination Services Segment was approximately US\$226,000, representing an increase in loss of US\$115,000 when compared to the same period in preceding year. The decrease in the number of tourist arrivals in Saipan during the Reporting Period negatively impacted the excursion tours business. Depreciation and amortization expenses (non-cash items) recognized during the Reporting Period under the Destination Services Segment was approximately US\$23,000. The management of the Group is cautiously optimistic that the performance of the Destination Service Segment, in particular, our excursion tours business will improve along with the progressive recovery of the tourism market in Saipan.

## **III. MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS**

During the Reporting Period, the Group did not make any material acquisitions and disposals of subsidiaries, associates or joint ventures.

The Group had no significant investments held during the Reporting Period.

# Management Discussion and Analysis

## IV. SUBSEQUENT EVENTS

Subsequent to the Reporting Period, the Group continues its efforts in expanding its share of the tourism markets in Guam and Saipan. For Guam, the GVB continues to take action in accordance with their Short-Term Tactical Plan to address the decline in tourist arrivals and achieve sustainable recovery in the tourism market. Starting in July 2025, various South Korean low-cost carriers and airlines have increased flight frequencies from Seoul to Guam, adding approximately 95,000 air seats, a 63.4% increase when compared to the same period last year from July to October 2025. Coupled with ongoing efforts by the GVB to promote visitor-friendly sites, businesses and attractions in Guam to boost Guam's visibility in the target tourist origin markets, the management of the Group is optimistic that the number of tourist arrivals of Guam will gradually improve.

In mid-July 2025, the U.S. Customs and Border Protection has resumed the processing of travelers' applications under the CNMI EVS-TAP. In view of this, the management of the Group is optimistic that the direct flight service from Hong Kong to Saipan will resume by late September 2025. In addition to the resumption of the direct flight service from Hong Kong to Saipan, the management of the Group continues its efforts to liaise with the airline to increase weekly flight frequency, aiming to increase the volume and secure better time slots for flights. On the other hand, the management of the Group is engaging with airlines in Mainland China with the hope of resuming direct flight services from select cities thereto Saipan in the foreseeable future. All of these are expected to reinforce the tourist arrivals from Mainland China to Saipan.

On July 22, 2025, the CNMI Department of Public Lands issued a "Notice of Intent to Award" in relation to the granting of a Master Concession Agreement for Managaha Island to the Group. Managaha Island is an iconic, small and uninhabited island off the west coast of Saipan. It sits in Saipan's lagoon and is known for its beautiful beaches, clear water and various water activities. Managaha Island is a popular day-trip destination for tourists and is about five to ten minutes boat rides from our Crowne Plaza Resort Saipan. By entering into the Master Concession Agreement, the Group will be granted the right to operate businesses relating to the transportation to and from Managaha Island, non-motorized marine sports, recreational activities, food, beverages and souvenirs, which could enhance the overall experience of our hotel guests and expand the excursion tours business in Saipan under the Destination Services Segment.

Further, in March 2025, the Group has received a written commitment from Tan Holdings for a standby shareholder loan facility of US\$9,000,000 for the purpose of financing the general working capital of the Group going forward.

# Management Discussion and Analysis

After the end of the Reporting Period, the management of the Group and the Hotel Manager continue their efforts in improving the operational efficiency of both Crowne Plaza resorts, and continue to implement effective cost-saving measures to improve the segmental margin of our Hotels & Resorts Segment. Both Crowne Plaza resorts and Century Hotel remain open for business. For our Luxury Travel Retail Segment, all luxury travel retail boutiques in Guam, Saipan and Hawaii remain in operation under normal business hours on a daily basis. Under the Destination Services Segment, the convenience stores located within the hotel premises of the Crowne Plaza resorts and the Group's excursion tours continue to operate.

## V. LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

In the first half of 2025, the financial position of the Group remained healthy. The Group generally finances its operations with internally generated cash flows, shareholder's loans and external financing. As at June 30, 2025, the total amount of cash and bank deposits of the Group was approximately US\$2,463,000, which is comparable to that as at December 31, 2024.

As at June 30, 2025, the Group had an interest-bearing term loan of US\$37,350,000 (As at December 31, 2024: US\$39,500,000) and a revolving loan of US\$5,000,000 (As at December 31, 2024: US\$5,000,000). The relevant banking facilities were fully drawn down as at June 30, 2025. Based on the scheduled repayments set out in the relevant banking facility letter, the maturity profile of the term loan is spread over a period of five years, with approximately US\$5,650,000 repaid as at June 30, 2025, approximately US\$4,300,000 repayable within one year, approximately US\$26,609,000 repayable in the second year, and approximately US\$6,441,000 repayable within 2027.



# Management Discussion and Analysis

Since 2022, the Group entered into six loan agreements with Tan Holdings, a controlling shareholder of the Company, for a total of six unsecured, interest-bearing loan facilities for the purpose of financing the general working capital of the Group, as detailed below:

|    | <b>Date of Loan Agreement</b> | <b>Amount of Loan Facility</b> | <b>Interest Rate</b> | <b>Maturity Date</b> |
|----|-------------------------------|--------------------------------|----------------------|----------------------|
| 1. | August 30, 2022               | US\$5,000,000                  | 2% per annum         | August 29, 2030*     |
| 2. | December 16, 2022             | US\$8,000,000                  | 2% per annum         | December 15, 2029*   |
| 3. | February 28, 2023             | US\$8,000,000                  | 2% per annum         | February 27, 2030*   |
| 4. | August 1, 2023                | US\$7,000,000                  | 5% per annum         | July 31, 2030*       |
| 5. | February 29, 2024             | US\$4,000,000                  | 5% per annum         | February 28, 2031*   |
| 6. | November 26, 2024             | US\$11,000,000                 | 5% per annum         | November 25, 2029    |

\* On December 2, 2024, the Group obtained an extension of 5 years on the loan repayment dates of each of the loan agreements with Tan Holdings.

As at June 30, 2025, the Company had drawn down the full loan facility amount of Loans 1 to 5 and an amount of US\$6,800,000 of Loan 6.

In March 2025, the Group has received a written commitment from Tan Holdings for a standby shareholder loan facility of US\$9,000,000.

The Directors are of the view that the Group has adequate liquidity to meet its expected working capital requirements and capital expenditure requirements in the coming twelve months from June 30, 2025.

The gearing ratio of the Group is calculated based on the total interest-bearing bank borrowings divided by total equity as at the end of respective periods and multiplied by 100%. As at June 30, 2025, the gearing ratio of the Group was 174.6% (2024: 131.0%).

The capital structure of the Group consists of debts which include bank borrowings, shareholder's loans, net of cash and cash equivalents and equity attributable to owners of the Company, which comprises issued share capital, share premium and various reserves as shown in the condensed consolidated statement of financial position. There has been no change in the share capital structure of the Company since the date of Listing.

# Management Discussion and Analysis

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximize the return to the Shareholders through the optimization of the debt and equity balance. The Directors review the capital structure regularly, taking into account the cost of capital and the risk associated with the capital.

## VI. FOREIGN EXCHANGE RISK MANAGEMENT

The subsidiaries of the Group mainly operate in Saipan, Guam and Hawaii with most of the transactions settled in United States Dollars. Foreign exchange rate risk arises when recognized financial assets and liabilities are denominated in a currency that is not the entity's functional currency. As at June 30, 2025, the financial assets and liabilities of the subsidiaries of the Group in Saipan, Guam and Hawaii are primarily denominated in United States Dollars. Therefore, the Group's foreign exchange risk is insignificant.

## VII. FUTURE PLANS AND MARKET PROSPECTS

The tourism industry remains the focus of both Guam and Saipan. In December 2024, the GVB published a *Short-term Tourism Recovery Plan and Situation Report* in relation to the tourism industry of Guam. In the second half of 2025, it is expected that the GVB will continue to take action in accordance with their Short-Term Tactical Plan to halt the decline in tourist arrivals and achieve a sustainable recovery in the tourism market. Over the past few months, the GVB has attended various travel expos held in Taiwan and the Philippines to connect with local agents to promote Guam travel packages. In addition, there has also been ongoing efforts by the GVB to promote visitor-friendly sites, businesses and attractions in Guam to boost Guam's visibility in the target tourist origin markets.

For Saipan, the Marianas Visitors Authority (the "**MVA**") continues to take the lead in reaffirming ties and collaboration with key tourism partners in South Korea, Japan and China by attending various international travel expo to intensify the continuous recovery of tourist arrivals from all target tourist origin markets.

# Management Discussion and Analysis

## ***Hotels & Resorts Segment***

As of the date of this report, the Hotel Manager of the two Crowne Plaza resorts continues its efforts in expanding the hotels' respective share of the tourism markets in Guam and Saipan and improving operational efficiency. The Hotel Manager continues to reach out to our tourist origin markets through participation in various marketing campaigns and international travel fairs held in South Korea, Japan, Taiwan, Shanghai and Shenzhen. Riding on the use of IHG's booking engines, coupled with the marketing and operational support from IHG, the management of the Group expects to be able to continue to optimize the sales channels and business mix of the Crowne Plaza resorts, which will help maintain or even increase the hotels' average room rates and further enhance customer loyalty.

## ***Luxury Travel Retail Segment***

All boutiques in Guam have been settled in stronger retail spaces with a view to improving segmental profitability. For Saipan and Hawaii, all of the Group's luxury travel retail boutiques continue to operate under normal business hours on a daily basis. With the expected resumption of tourist arrivals from Mainland China to Saipan following the resumption in the processing of CNMI EVS-TAP applications, the management of the Group is cautiously optimistic that segmental profitability would gradually pick up.

## ***Destination Services Segment***

In view of the anticipated grant of a Master Concession Agreement for Managaha Island by the CNMI Department of Public Lands to the Group, the management of the Group is in the process of planning and designing how it could extend and enhance the overall experience of its hotel guests and expand its Saipan excursion tours business under the Destination Services Segment. The management of the Group believes that the operation of different businesses on the iconic Managaha Island could create positive synergy by enhancing the overall experience of its guests in Saipan, which will be beneficial to the long-term growth of the Group.

## ***Other plans and prospects***

To maintain the Group's long-term growth and for the best interests of the Group and the shareholders of the Company as a whole, the Group's management continues to cautiously explore possible merger and acquisition opportunities.

# Management Discussion and Analysis

## VIII. CHARGE ON ASSETS

As at June 30, 2025 and December 31, 2024, the Group had aggregate banking facilities of US\$48,000,000 and US\$48,000,000, respectively, which were secured by certain buildings and investment properties owned by the Group, of which the aggregate banking facilities were fully utilized, respectively.

## IX. CONTINGENT LIABILITIES

As at June 30, 2025, the Group did not have any material contingent liabilities.

## X. EMPLOYEES AND EMOLUMENT POLICY

As at June 30, 2025, the Group had a total of 343 (as at June 30, 2024: 351) full-time employees, including 206 employed in Saipan, 127 employed in Guam, 5 employed in Hawaii and 5 employed in Hong Kong. During the Reporting Period, the management of the Group reviewed the operation efficiency and reduced some headcount as of June 30, 2025. As a responsible employer, the Group continues to value its employees and continues to strive to provide an excellent working environment. The Group has complied with all relevant labor laws and regulations and has formulated a set of human resources policies relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal employment opportunity, diversity, anti-discrimination and other benefits and welfare. Remuneration is determined with reference to market terms and performance, qualification and experience of individual directors and employees. During the Reporting Period, the total staff costs (including directors' emoluments) amounted to US\$7,357,000 (for the six months ended June 30, 2024: US\$7,314,000). The Company has adopted the Post-IPO Share Option Scheme on April 9, 2019 for the purpose of providing incentives and rewards to eligible persons, including the employees of the Group, for their contribution to the Group. During the Reporting Period, no options were granted, exercised, cancelled, or lapsed under the Share Option Scheme and there were no options outstanding as at June 30, 2025.



## Other Information

### I. INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the Reporting Period.

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

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

### III. DIRECTORS AND CHIEF EXECUTIVES' INTEREST IN SHARES

As at June 30, 2025, the interests of the Directors and chief executives of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (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 Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules, were as follows:

| Name of Director | Capacity/<br>Nature of interest                | Number of<br>Shares | Approximate<br>percentage of<br>Interests in the<br>Company* |
|------------------|--|---------------------|--|
| Dr. TAN Siu Lin  | Interests in a controlled corporation (Note a) | 270,000,000         | 75%  |
| Dr. TAN Henry    | Interests in a controlled corporation (Note b) | 270,000,000         | 75%  |

\* The percentage has been compiled based on the total number of shares of the Company (each a "Share") issued (i.e. 360,000,000) as of the date of this report.

### Notes:

- (a) Dr. TAN Siu Lin is deemed to be interested in 270,000,000 Shares under the SFO (representing 75% of our entire issued share capital) held by THC Leisure Holdings Limited because (i) he acts in concert with Dr. TAN Henry in respect of the affairs of our Group, (ii) he and Dr. TAN Henry together control the majority of the board of directors of Supreme Success Limited, which is the registered owner of the entire interests in Leap Forward Limited as the trustee of a discretionary family trust, (iii) he and Dr. TAN Henry together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward Limited, and are thus entitled to exercise the voting rights in Leap Forward Limited, (iv) he is the founder of the said discretionary family trust, (v) Leap Forward Limited is the registered owner of a 39% interest in Tan Holdings Corporation, and (vi) Tan Holdings Corporation is the registered owner of the entire interests in THC Leisure Holdings Limited. As such, THC Leisure Holdings Limited is a controlled corporation of Dr. TAN Siu Lin.
- (b) Dr. TAN Henry is deemed to be interested in 270,000,000 Shares under the SFO (representing 75% of our entire issued share capital) held by THC Leisure Holdings Limited because (i) he acts in concert with Dr. TAN Siu Lin in respect of the affairs of our Group, (ii) he and Dr. TAN Siu Lin together control the majority of the board of directors of Supreme Success Limited, which is the registered owner of the entire interests in Leap Forward Limited as the trustee of a discretionary family trust, (iii) he and Dr. TAN Siu Lin together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward Limited, and are thus entitled to exercise the voting rights in Leap Forward Limited, (iv) Leap Forward Limited is the registered owner of a 39% interest in Tan Holdings Corporation, and (v) Tan Holdings Corporation is the registered owner of the entire interests in THC Leisure Holdings Limited. As such, THC Leisure Holdings Limited is a controlled corporation of Dr. TAN Henry. He is also the founder of a discretionary family trust which is the registered owner of a 20% interest in Tan Holdings Corporation.

Save as disclosed above, as of the date of this report, none of the Directors or chief executives of the Company had any interests and short positions in the Shares and underlying shares of the Company or any associated corporation (within the meaning of Part XV of 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.

## Other Information

### IV. SUBSTANTIAL SHAREHOLDERS

As at June 30, 2025, the register of substantial shareholders maintained pursuant to Section 336 of the SFO showed that other than the interests disclosed in “III. Directors’ and Chief Executives’ Interests in Shares”, the following shareholders had notified the Company of their relevant interests in the issued share capital of the Company.

| Name of Shareholder                   | Capacity/<br>Nature of Interest       | Number of Shares | Approximate percentage of Interests in the Company* |
|---------------------------------------|---------------------------------------|------------------|---|
| THC Leisure Holdings Limited (Note a) | Beneficial interest                   | 270,000,000      | 75%   |
| Tan Holdings Corporation (Note a)     | Interests in a controlled corporation | 270,000,000      | 75%   |
| Leap Forward Limited (Note a)         | Interests in a controlled corporation | 270,000,000      | 75%   |
| Supreme Success Limited (Note a)      | Interests in a controlled corporation | 270,000,000      | 75%   |

\* The percentage has been compiled based on the total number of shares issued (i.e. 360,000,000) as of the date of this report.

Note:

- (a) THC Leisure Holdings Limited directly holds 270,000,000 Shares (representing 75% of our entire issued share capital). THC Leisure Holdings Limited is 100% directly owned by Tan Holdings Corporation. Leap Forward Limited holds 39% interest in Tan Holdings Corporation directly and Supreme Success Limited holds 100% interest in Leap Forward Limited.

Save as disclosed above, as of the date of this report, so far as is known to the Directors, there is no other person (not being a Director or chief executive of the Company) who has an interest or a short position in the Shares or underlying shares which could fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

### V. REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee of the Company consists of the Independent Non-Executive Directors, namely Mr. MA Andrew Chiu Cheung, Mr. CHAN Leung Choi Albert and Mr. WONG Chun Tat. Mr. MA Andrew Chiu Cheung is the Chairman of the Audit Committee.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and has discussed with the management regarding the auditing, internal control and financial reporting matters. The Audit Committee has discussed and reviewed the unaudited condensed consolidated interim financial information for the Reporting Period with no disagreement.

Such unaudited condensed consolidated interim financial information has also been reviewed by the Company's auditor, Ernst & Young, 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.

### VI. CORPORATE GOVERNANCE PRACTICES

The Board has adopted the applicable code provisions of the Corporate Governance Code (the "**CG Code**") set out in Appendix C1 to the Listing Rules as its code of corporate governance. The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the code provisions set out in the CG Code throughout the Reporting Period.



## Other Information

### VII. MODEL CODE

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standards set out in the Model Code as set out in Appendix C3 to the Listing Rules. After having made specific enquiries to all Directors, the Directors confirmed that they have complied with the required standards as set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company during the Reporting Period.

### VIII. DISCLOSURE OF INFORMATION ON THE COMPANY AND THE STOCK EXCHANGE'S WEBSITE

This interim report will be published on the websites of the Company ([www.saileisuregroup.com](http://www.saileisuregroup.com)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) in accordance with Rule 13.48(1) of the Listing Rules.

By order of the Board

**TAN Henry**, SBS, BBS, JP

*Vice Chairman, Executive Director and  
Chief Executive Officer*

Hong Kong, August 29, 2025