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THE CROSS-HARBOUR (HOLDINGS) LIMITED

港通控股有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 32)

2025 Interim Results Announcement

The board of directors (the “Board”) of The Cross-Harbour (Holdings) Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025. The interim results have been reviewed by the audit committee of the Company and KPMG.

GROUP RESULTS

The Group’s unaudited profit attributable to shareholders for the first half of 2025 amounted to HK\$519.1 million, representing an increase of 120.7% as compared to the profit of HK\$235.2 million recorded in the first half of 2024. Earnings per share were HK\$1.39 (30 June 2024: HK\$0.63).

DIVIDENDS

A first quarterly interim dividend of HK\$0.06 per share, absorbing a total amount of approximately HK\$22.4 million, was paid on 11 July 2025. The Board has today declared a second quarterly interim dividend of HK\$0.06 per share payable on 15 September 2025 to shareholders of the Company registered at the close of business on 9 September 2025.

CLOSURE OF BOOKS

The register of members and transfer books of the Company will be closed from Friday, 5 September 2025 to Tuesday, 9 September 2025, during which period no transfer of shares in the Company will be registered. In order to qualify for the second quarterly interim dividend, all transfer documents and accompanying share certificates must be lodged for registration with Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m., Thursday, 4 September 2025.

Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025 - unaudited

(Expressed in Hong Kong dollars)

	<i>Note</i>	Six months ended 30 June	
		2025	2024
		\$'000	\$'000
Continuing operations			
Revenue from contracts with customers within the scope of HKFRS 15	4(a)	375,907	382,308
Revenue from other sources	4(a)	23,574	19,961
Other interest revenue	4(a)	56,319	67,916
Total revenue		455,800	470,185
Other net gains	5	369,938	116,879
Direct costs and operating expenses		(149,426)	(148,390)
Selling and marketing expenses		(15,482)	(14,451)
Administrative and corporate expenses		(102,649)	(121,050)
Profit from operations		558,181	303,173
Finance costs	6(a)	(7,681)	(9,358)
Share of profits of a joint venture		9,647	845
Profit before taxation	6	560,147	294,660
Income tax	7	(20,979)	(22,315)
Profit for the period from continuing operations		539,168	272,345
Discontinued operation			
Profit for the period from discontinued operation	8	18,694	3,202
Profit for the period		557,862	275,547

Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025 - unaudited

(Expressed in Hong Kong dollars)

	<i>Note</i>	Six months ended 30 June	
		2025	2024
		\$'000	\$'000
Attributable to:			
Equity shareholders of the Company			
- from continuing operations		500,364	231,970
- from discontinued operation		18,694	3,202
		<u>519,058</u>	<u>235,172</u>
Non-controlling interests		<u>38,804</u>	<u>40,375</u>
Profit for the period		<u>557,862</u>	<u>275,547</u>
Earnings per share			
	9		
Basic and diluted		<u>\$1.39</u>	<u>\$0.63</u>
From continuing operations			
Basic and diluted		<u>\$1.34</u>	<u>\$0.62</u>
From discontinued operation			
Basic and diluted		<u>\$0.05</u>	<u>\$0.01</u>

Details of dividends payable to equity shareholders of the Company are set out in note 10.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025 - unaudited

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2025	2024
<i>Note</i>	\$'000	\$'000
Profit for the period	557,862	275,547
Other comprehensive income for the period (after tax and reclassification adjustments)		
Item that will not be reclassified to profit or loss:		
– Financial assets measured at fair value through other comprehensive income (non-recycling)		
– Net changes in fair value of equity securities	5,426	1,018
Item that may be reclassified subsequently to profit or loss:		
– Share of other comprehensive income of a joint venture	100	(16)
Other comprehensive income for the period	5,526	1,002
Total comprehensive income for the period	563,388	276,549
Attributable to:		
Equity shareholders of the Company		
– from continuing operations	505,860	232,976
– from discontinued operation	18,694	3,202
	524,554	236,178
Non-controlling interests	38,834	40,371
Total comprehensive income for the period	563,388	276,549

Consolidated Statement of Financial Position

As at 30 June 2025 - unaudited

(Expressed in Hong Kong dollars)

		30 June 2025		31 December 2024	
	Note	\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment			423,369		472,194
Interest in a joint venture			154,232		164,485
Other financial assets	11		4,123,079		3,801,850
Deposits and prepayments	12		64,261		45,620
Deferred tax assets			-		44
			<u>4,764,941</u>		<u>4,484,193</u>
Current assets					
Interest in associate		-		18,637	
Inventories		1,276		1,326	
Other financial assets	11	1,439,248		1,216,998	
Trade and other receivables	12	77,321		99,310	
Amount due from a joint venture		-		9,000	
Dividend receivable		8,614		481	
Bank deposits and cash		2,608,989		2,767,422	
		<u>4,135,448</u>		<u>4,113,174</u>	
Current liabilities					
Trade and other payables	13	71,286		148,342	
Contract liabilities		391,539		453,516	
Lease liabilities		102,195		101,814	
Taxation payable		28,867		8,679	
Dividends payable		23,315		1,635	
		<u>617,202</u>		<u>713,986</u>	
Net current assets			<u>3,518,246</u>		<u>3,399,188</u>

Consolidated Statement of Financial Position

As at 30 June 2025 - unaudited

(Expressed in Hong Kong dollars)

	<i>Note</i>	30 June 2025 \$'000	31 December 2024 \$'000
Total assets less current liabilities		8,283,187	7,883,381
Non-current liabilities			
Lease liabilities		146,906	196,111
Deferred tax liabilities		3,696	2,967
		150,602	199,078
NET ASSETS		8,132,585	7,684,303
 CAPITAL AND RESERVES			
Share capital		1,629,461	1,629,461
Reserves		6,278,092	5,865,344
Total equity attributable to equity shareholders of the Company		7,907,553	7,494,805
Non-controlling interests		225,032	189,498
TOTAL EQUITY		8,132,585	7,684,303

Notes to the financial information:

(Expressed in Hong Kong dollars)

1 General information

The Cross-Harbour (Holdings) Limited (the “Company”) is a company incorporated in Hong Kong with limited liability under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the shares of the Company are listed on The Stock Exchange of Hong Kong Limited.

During the period, the principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries are motoring school operations, treasury management and securities investment. The principal activities of the Company’s joint venture are electronic toll operation and smart city solutions.

In the opinion of the directors of the Company, the immediate holding company of the Company is Rose Dynamics Limited, which is incorporated in the British Virgin Islands (“BVI”), and the ultimate holding company of the Company is Windsor Dynasty Limited, which is incorporated in the BVI. These entities do not produce financial statements available for public use.

2 Basis of preparation

The interim results set out in the announcement do not constitute the Group’s interim financial report for the six months ended 30 June 2025 but are extracted from that interim financial report.

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (HKAS) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). It was authorised for issue on 21 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 3.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information* performed by the independent auditor of the entity, issued by the HKICPA.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

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

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

3 Changes in accounting policies

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to this interim financial report for the current accounting period. Such amendments do not have a material effect on the Group's results and financial position for the current or prior periods have been prepared or presented in the interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 Revenue and segment reporting

(a) Revenue

The principal activities of the Group are motoring school operation, treasury management and securities investment. Given below is an analysis of the revenue of the Group:

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by service lines is as follows:

	Six months ended 30 June	
	2025	2024
	\$'000	\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by service lines:		
- Course fee from motoring school operation	373,807	379,908
- Consultancy fee and management fee from electronic toll operation	2,100	2,400
	<u>375,907</u>	<u>382,308</u>
Revenue from other sources		
- Dividend income from equity securities	23,310	19,673
- Others	264	288
	<u>23,574</u>	<u>19,961</u>
Other interest revenue		
- Interest revenue from an interest-bearing instrument	3,570	3,590
- Interest revenue from banks	52,749	64,326
	<u>56,319</u>	<u>67,916</u>
Total revenue	<u>455,800</u>	<u>470,185</u>

- (ii) The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts under HKFRS 15, such that it does not disclose the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period, as (i) such unsatisfied performance obligation is part of a contract that has an original expected duration of one year or less; or (ii) the Group recognises revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the Group's performance completed to date in accordance with the practical expedient in HKFRS 15.B16.

(b) Segment reporting

The Group manages its businesses by divisions which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Motoring school operation: this segment invests in subsidiaries which operate designated driving training centres.
- Electronic toll operation: this segment invests in a joint venture which provides toll collection services for HKeToll, telematics services, and intelligent transportation and surveillance system solutions, and smart city services solutions in Hong Kong.
- Treasury management: this segment manages an investment portfolio, including unlisted funds, equity securities, debt securities, and cash and bank deposits, to receive investment returns.

The segment information reported below does not include any amounts for the discontinued operation, which is described in more detail in note 8.

(i) Segment results and assets

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results and assets attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current and non-current assets with the exception of other corporate assets.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the periods ended 30 June 2025 and 2024 is set out below.

	Motoring school operation Six months ended 30 June 2025 2024		Electronic toll operation Six months ended 30 June 2025 2024		Treasury management Six months ended 30 June 2025 2024		Total Six months ended 30 June 2025 2024	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from contracts with customers within the scope of HKFRS 15	373,807	379,908	2,100	2,400	—	—	375,907	382,308
Dividend income from equity securities	—	—	—	—	23,310	19,673	23,310	19,673
Interest revenue	12,052	19,935	167	89	44,100	47,892	56,319	67,916
Reportable segment revenue	385,859	399,843	2,267	2,489	67,410	67,565	455,536	469,897
Reportable segment profit before tax	138,835	154,274	11,793	3,223	441,440	169,291	592,068	326,788
Finance costs	(7,620)	(9,253)	—	—	(61)	(105)	(7,681)	(9,358)
Depreciation	(54,835)	(45,048)	—	—	(60)	(163)	(54,895)	(45,211)
Share of profits of a joint venture	—	—	9,647	845	—	—	9,647	845
Income tax	(20,847)	(22,175)	(132)	(140)	—	—	(20,979)	(22,315)
	30 June	31 December 2024	30 June	31 December 2024	30 June	31 December 2024	30 June	31 December 2024
Reportable segment assets	1,292,886	1,287,198	184,974	184,336	7,403,568	7,084,993	8,881,428	8,556,527

(ii) *Reconciliations of reportable segment revenue, profit or loss and assets*

	Six months ended 30 June	
	2025	2024
	\$'000	\$'000
Revenue		
Reportable segment revenue	455,536	469,897
Unallocated head office and corporate revenue	264	288
Consolidated revenue (continuing operations)	<u>455,800</u>	<u>470,185</u>
	Six months ended 30 June	
	2025	2024
	\$'000	\$'000
Profit		
Reportable segment profit before taxation	592,068	326,788
Unallocated head office and corporate income and expenses	(31,921)	(32,128)
Consolidated profit before taxation (continuing operations)	<u>560,147</u>	<u>294,660</u>
	At	At
	30 June	31 December
	2025	2024
	\$'000	\$'000
Assets		
Reportable segment assets	8,881,428	8,556,527
Unallocated head office and corporate assets	18,961	22,203
Discontinued operation	-	18,637
Consolidated total assets	<u>8,900,389</u>	<u>8,597,367</u>

5 Other net gains

	Six months ended 30 June	
	2025	2024
	\$'000	\$'000
Change in fair value of other financial assets at FVPL		
- Unlisted fund investments	133,700	58,909
- Listed equity securities	235,849	116,839
- Unlisted equity security	-	(58,953)
- Debt securities	(49)	11
	<u>369,500</u>	<u>116,806</u>
Net gains on disposal of property, plant and equipment	438	73
	<u>369,938</u>	<u>116,879</u>

6 Profit before taxation

	Six months ended 30 June	
	2025	2024
	\$'000	\$'000
Profit before taxation is arrived at after charging:		
(a) Finance costs		
Interest on lease liabilities	<u>7,681</u>	<u>9,358</u>
(b) Other items		
Depreciation		
- Right-of-use assets	47,578	38,090
- Owned property, plant and equipment	<u>10,155</u>	<u>9,739</u>
	<u>57,733</u>	<u>47,829</u>
Contributions to defined contribution retirement scheme	5,396	5,046
Salaries, wages and other benefits (including directors' emoluments)	176,970	172,699
Cost of inventories consumed	<u>4,640</u>	<u>5,336</u>

7 Income tax

	Six months ended 30 June	
	2025	2024
	\$'000	\$'000
Current tax – Hong Kong Profits Tax	20,206	22,715
Deferred tax	773	(400)
	<u>20,979</u>	<u>22,315</u>

The provision for Hong Kong Profits Tax is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the period, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first \$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

8 Discontinued operation

Western Harbour Tunnel Company Limited (“WHTCL”), a 50% owned associate, operated the Western Harbour Tunnel under a 30 years franchise. The franchise expired on 1 August 2023 and the ownership of the tunnel was transferred to the Government. The tunnel operation has been classified as discontinued operation since 2023. Liquidation of WHTCL is expected to be completed in October 2025.

The results of the discontinued operation included in the profit for the period are set out below.

	Six months ended 30 June	
	2025	2024
	\$'000	\$'000
Profit for the period from discontinued operation:		
Share of profit of an associate	<u>18,694</u>	<u>3,202</u>
Cash flows from discontinued operation:		
Net cash inflows from investing activities	<u>37,331</u>	<u>-</u>

9 Earnings per share

The calculation of basic earnings per share is based on the profit for the period attributable to ordinary equity shareholders of the Company of \$519,058,000 (2024: \$235,172,000) and the weighted average of 372,688,000 ordinary shares (2024: 372,688,000 ordinary shares) in issue during the period.

Basic earnings per share are the same as diluted earnings per share as the Company has no dilutive potential shares.

10 Dividends

- (i) Dividends payable to equity shareholders of the Company attributable to the interim period

	Six months ended 30 June	
	2025	2024
	\$'000	\$'000
First quarterly interim dividend declared during the interim period of \$0.06 per share (2024: \$0.06 per share)	22,361	22,361
Second quarterly interim dividend declared after the interim period of \$0.06 per share (2024: \$0.06 per share)	22,361	22,361
	<u>44,722</u>	<u>44,722</u>

The second quarterly interim dividend declared after the interim period has not been recognised as a liability at the end of the reporting period.

- (ii) Dividend payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June	
	2025	2024
	\$'000	\$'000
Final dividend in respect of the previous financial year, approved and paid during the interim period of \$0.24 per share (2024: \$0.24 per share)	89,445	89,445

11 Other financial assets

	<i>Note</i>	30 June 2025 \$'000	31 December 2024 \$'000
<i>Non-current</i>			
Financial assets measured at FVOCI (non-recycling)			
– Equity securities listed in Hong Kong*	(i)	60,376	54,950
Financial assets measured at FVPL			
– Unlisted fund investments	(ii)	4,059,517	3,743,714
– Unlisted equity security		3,186	3,186
		4,062,703	3,746,900
		4,123,079	3,801,850
<i>Current</i>			
Financial assets measured at FVPL			
– Equity securities listed in Hong Kong*	(iii)	1,075,198	844,468
– Equity securities listed outside Hong Kong*	(iv)	363,747	372,178
– Debt securities listed outside Hong Kong*		303	352
		1,439,248	1,216,998
Financial assets measured at amortised cost			
– Unsecured, interest-bearing instruments	(v)	60,000	60,000
Less: loss allowance		(60,000)	(60,000)
		-	-
		1,439,248	1,216,998
Total		5,562,327	5,018,848

* Fair value measured using unadjusted quoted price in active markets.

Notes:

- (i) The Group designated these investments at FVOCI (non-recycling), as they are held for strategic purposes. Net fair value gain of \$5,426,000 (30 June 2024: \$1,018,000) was recognised in other comprehensive income and dividends amounted to \$529,000 (30 June 2024: \$556,000) were received and recognised in profit or loss during the period. Neither addition nor disposal was occurred during the period ended 30 June 2025 (30 June 2024: Nil).
- (ii) As at 30 June 2025, the Group's unlisted fund investments comprised of 53 (31 December 2024: 50) private funds. The Group managed the price risk through diversification of investment portfolio. The underlying investments held by these funds include listed and unlisted equity securities, debt securities, structured financing products and venture capital deals in various regions, covering various industries and sectors including air freight, automobile, biotechnology, chemicals, e-Commerce, enterprise software, energy, healthcare and related services, information technology, internet services, industrials and infrastructure, logistic, pharmaceuticals and transportation. The fair value of these investments may change significantly based on broader macroeconomic conditions, overall capital and investment markets conditions, and factors associated with underlying assets within the private fund portfolio.
- (iii) As at 30 June 2025, the fair value of equity securities listed in Hong Kong and classified at FVPL amounted to \$1,075,198,000 (31 December 2024: \$844,468,000), and net fair value gain of \$230,732,000 (30 June 2024: \$92,446,000) was recognised in profit or loss for the period.
- (iv) As at 30 June 2025, the Group's investments in listed equity securities outside Hong Kong and classified at FVPL amounted to \$363,747,000 (31 December 2024: \$372,178,000) which are equity securities listed in the USA, UK, Japan and Canada, and net fair value gain of \$5,117,000 (30 June 2024: \$24,393,000) was recognised in profit or loss for the period.
- (v) The balance represents an interest-bearing instrument which is unsecured and interest-bearing at 12% per annum. Loss allowances are fully provided for the interest-bearing instrument with a gross amount of \$60,000,000 in 2023.

12 Trade and other receivables and deposits and prepayments

Included in trade and other receivables are trade receivables (net of loss allowance) with the following ageing analysis, based on the invoice date, as of the end of the reporting period:

		At 30 June 2025 \$'000	At 31 December 2024 \$'000
	<i>Note</i>		
Within one month		5,899	12,069
One to three months		208	517
Over three months		469	386
Trade receivables, net of loss allowance		6,576	12,972
Other receivables		17,502	37,422
Trade and other receivables		24,078	50,394
Deposits and prepayments		117,504	94,536
		141,582	144,930
Less: non-current portion	(i)	(64,261)	(45,620)
		77,321	99,310

Note:

- (i) As at 30 June 2025, included in deposits and prepayments of the Group is an amount of \$64,261,000 (31 December 2024: \$45,620,000) which is related to Group's deposits placed for the properties leased for own use as driving schools. These amounts are expected to be recovered or recognised as expense after more than one year.

The remaining balance of the trade and other receivables as at 30 June 2025 and 31 December 2024 are expected to be recovered or recognised as expense within one year.

13 Trade and other payables

Included in trade and other payables are trade payables with the following ageing analysis, based on the invoice date, as of the end of the reporting period:

	At 30 June 2025 \$'000	At 31 December 2024 \$'000
Within one month	1,208	1,341
One month to three months	240	248
Over three months but within six months	4,537	5,391
Trade payables	5,985	6,980
Other payables and accruals	65,301	141,362
	71,286	148,342

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

BUSINESS REVIEW AND PROSPECTS

Hong Kong economy grew by 3.1% in the first quarter of 2025, mainly driven by growth in exports of goods and services. Total export value rose by 12.5%, mainly due to sustained external demand and some front-loading of shipments in expectations of imminent tariff hikes by the US. GDP of the second quarter of 2025 is expected to remain above 3%. However, the value of total retail sales for the first half of 2025 was estimated to decline by 3.3% compared with the same period in 2024. But it saw a turnaround in May with an increase of 2.4% year-on-year, ending a 14-month streak of declines. It was because of improving tourism and government efforts to bolster consumption sentiment. Due to higher international demand for Chinese assets and improved market liquidity and investor confidence, the Hong Kong's stock market continued to rise. The IPO market also rebounded significantly in the first half of 2025. Despite ongoing geopolitical tension between US and China and a global tariff war, the Hang Seng Index increased by 20% and average daily turnover grew 82% to HK\$240 billion in the first half of 2025. Looking ahead, Hong Kong economy would continue to grow moderately, benefitting from a resilient Mainland economy and steady growth across other Asian economies. Additionally, private consumption sentiment is likely to stabilize and improve due to rising employment earnings and buoyant stock market.

Motoring School Operation

Alpha Hero Group (70% owned) operates driving training schools in Hong Kong. The training vehicles include private cars, light and medium good vehicles, motorcycles, and commercial vehicles. Its major revenue of driving training course fee slightly decreased by 1.6% as the number of non-motorcycle driving lessons delivered and the number of motorcycle driving lessons delivered for the first half of 2025 decreased by 3.0% and 19.7% respectively, as compared to the last corresponding period. The drop in driving lessons delivered was the result of the shrinking driving training market and sluggish consumer sentiment amid economic recession concerns. Additionally, the significant drop in motorcycle driving lessons because of the demand having largely peaked in the last few years. We expect the overall driving training market would continue to contract in the second half of 2025.

Electronic Toll Operation

Autotoll (BVI) Limited ("Autotoll"), a jointly controlled entity, 50% owned by The Autopass Company Limited (a 70% owned subsidiary), provides toll collection service for the Free-flow tolling system (namely "HKEToll") in Hong Kong. Autotoll also provides telematics services, intelligent transportation and surveillance system solutions, and smart city service solutions in Hong Kong.

HKEToll has been gradually implemented across all government-tolled tunnels and roads in 2023, replacing the Electronic Toll Collection ("ETC") system operated by Autotoll and manual toll booths. The Hong Kong Government took over the Tai Lam Tunnel and switched the toll collection facilities from ETC to HKEToll on 31 May 2025. ETC system has completed its historical tasks since 1998. Profit contribution from HKEToll increased during the first half of 2025, which completely offset the decrease in profit contributions from ETC and smart city projects.

Treasury Management Business

In the first half of 2025, the Group continued to make capital contributions to 26 unlisted funds in different industries and regions, which were committed in previous years. In April 2025, the Group subscribed two unlisted funds with capital commitment of USD100 million to further diversify the Group's existing portfolio of investment and enhance its long-term growth strategy. The Group received distributions from 18 unlisted funds during the current period. As of 30 June 2025, the Group's investment portfolio consisted of a total of 95 (31 December 2024: 93) investments, which comprised mainly 53 (31 December 2024: 50) investments in unlisted funds and 41 (31 December 2024: 42) investments in equity securities. Overall, the value of the Group's investment portfolio during the period increased to HK\$5,562.3 million.

Commentary on Interim Results

(I) Review of 2025 Interim Results

The Group's unaudited profit attributable to shareholders for the first half of 2025 was HK\$519.1 million, representing an increase of 120.7% as compared to a profit of HK\$235.2 million recorded in the first half of 2024. The increase in profit was mainly due to the increase in profit contributions from treasury management business.

The Group recorded a total revenue of HK\$455.8 million in the first half of 2025, representing a decrease of 3.1% as compared to HK\$470.2 million recorded in the last corresponding period. The slight decrease in total revenue was mainly due to the decrease in revenue from motoring school operation.

Performance of the treasury management segment for the first half of 2025

The treasury management business recorded a profit before tax of HK\$441.4 million (30 June 2024: HK\$169.3 million) in the first half of 2024. This net profit primarily consists of various components, including a net fair value gain on financial assets measured at fair value through profit or loss ("FVPL") of HK\$369.5 million, dividend income and interest revenue from investment portfolio of HK\$26.9 million, and interest revenue from bank of HK\$40.5 million.

The net fair value gain on financial assets measured at FVPL of HK\$369.5 million (30 June 2024: HK\$116.8 million) was mainly attributable to (i) the net fair value gain on listed equity securities of HK\$235.8 million (30 June 2024: HK\$116.8 million) and (ii) the net fair value gain on unlisted fund investments of HK\$133.7 million (30 June 2024: HK\$58.9 million). There is no fair value loss on unlisted equity security for the current period (30 June 2024: HK\$58.9 million).

The net fair value gain on listed equity securities measured at FVPL of HK\$235.8 million was attributable to (i) the net fair value gain of listed securities in Hong Kong of HK\$230.7 million (30 June 2024: HK\$92.4 million) and (ii) the net fair value gain of listed securities outside Hong Kong of HK\$5.1 million (30 June 2024: HK\$24.4 million). The net fair value gain of listed equity securities measured at FVPL mainly included the fair value gain of Oshidori International Holdings Limited (Stock Code: 622) of HK\$73.6 million (30 June 2024: loss of HK\$20.8 million), the fair value gain of China Unicom (Hong Kong) Limited (Stock Code: 762) of HK\$47.8 million (30 June 2024: HK\$56.8 million), the fair value gain of China Telecom Corporation Limited (Stock Code: 728) of HK\$37.3 million (30 June 2024: HK\$46.7 million), and the fair value gain of Alibaba Group Holding Limited (Stock Code: 9988) of HK\$34.0 million (30 June 2024: loss of HK\$6.3 million).

The net fair value gain on unlisted fund investments measured at FVPL of HK\$133.7 million comprised of (i) the fair value gain of 36 unlisted funds amounting to HK\$229.0 million and (ii) the fair value loss of 18 unlisted funds amounting to HK\$95.3 million.

The investment portfolio generated a total dividend and interest revenue of HK\$26.9 million (30 June 2024: HK\$23.3 million). This included dividend income from listed equity securities increased to HK\$23.3 million (30 June 2024: HK\$19.7 million), interest revenue derived from interest-bearing instruments maintained at HK\$3.6 million (30 June 2024: HK\$3.6 million). On the other hand, interest revenue from bank deposits decreased to HK\$40.5 million (30 June 2024: HK\$44.3 million) during the current period.

Performance of the motoring school operation for the first half of 2025

The principal income of the motoring school operation is the driving training course fee which is recognised in profit or loss upon the completion of the training lessons. Income from driving training courses recorded a decrease of 1.6% to HK\$373.8 million (30 June 2024: HK\$379.9 million). It was mainly due to the drop in the number of completed driving lessons for both non-motorcycle and motorcycle courses at the designated driving schools. Interest revenue from banks also decreased to HK\$12.1 million (30 June 2024: HK\$19.9 million). Operating expenses slightly increased during the current period mainly due to an increase in staff cost. Therefore, the profit before tax of the motoring school operation decreased by 10.0% to HK\$138.8 million (30 June 2024: HK\$154.3 million).

Performance of the electronic toll operation for the first half of 2025

The profit before tax contributed by the electronic toll operation rose to HK\$11.8 million (30 June 2024: HK\$3.2 million) in the first half of 2024. It mainly includes a share of profits of a joint venture, Autotoll (BVI) Limited, amounting to HK\$9.6 million (30 June 2024: HK\$0.8 million), and consultancy and management fee income from Autotoll of HK\$2.1 million (30 June 2024: HK\$2.4 million). The increase in share of profits from Autotoll was largely driven by the improved performance of HKeToll.

(II) Treasury Investments and Significant Investments Held

As at 30 June 2025, the Group maintained an investment portfolio with a carrying amount of HK\$5,562.3 million (31 December 2024: HK\$5,018.8 million). The aggregate value of the investment portfolio increased by HK\$543.5 million during the period. The portfolio is mainly composed of HK\$4,059.5 million (31 December 2024: HK\$3,743.7 million) unlisted fund investments and HK\$1,502.5 million (31 December 2024: HK\$1,165.9 million) listed and unlisted equity securities.

The movements in the investment portfolio held by the Group during the period

	1 January 2025	Addition	Disposal/ Distribution	Fair value change in OCI	Fair value change in profit and loss / ECL	30 June 2025
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Financial assets measured at FVOCI						
– Listed equity securities	54.9	—	—	5.4	—	60.3
Financial assets measured at FVPL						
– Unlisted fund investments	3,743.7	344.8	(162.7)	—	133.7	4,059.5
– Listed equity securities	1,216.7	82.8	(96.3)	—	235.8	1,439.0
– Unlisted equity security	3.2	—	—	—	—	3.2
– Listed debt security	0.3	—	—	—	—	0.3
	4,963.9	427.6	(259.0)	—	369.5	5,502.0
	5,018.8	427.6	(259.0)	5.4	369.5	5,562.3

During the period, the total additions of financial assets amounted to HK\$427.6 million, which consisted of investments in 26 unlisted funds amounting to HK\$344.8 million and investments in 2 listed equity securities amounting to HK\$82.8 million.

During the period, the total disposals of financial assets amounted to HK\$259.0 million, which consisted of divestments of 18 unlisted funds amounting to HK\$162.7 million and divestments of 2 listed equity securities amounting to HK\$96.3 million.

Other movements in the investment portfolio during the period included a net fair value gain on financial assets measured at FVPL of HK\$369.5 million and a net fair value gain on financial assets measured at FVOCI of HK\$5.4 million.

Significant investments of individual fair value of 5% or above of the Group's total assets

Diversified Absolute Return Fund

Diversified Absolute Return Fund (“DARF”) is an unlisted fund managed by asset managers who applied various investment strategies to accomplish their investment objectives. The principal business of DARF is to invest for returns from capital appreciation and investment income, either through the use of special purpose vehicles or by investing directly. As at 30 June 2025, the Group held about 41,805 class A shares and 26,700 class E1 shares of DARF and recorded a fair value of HK\$690.7 million (31 December 2024: HK\$653.1 million) in respect of its holding in 29.9% of the shares of such investment, which exceeded the purchase cost of HK\$610.2 million for such investment and represented 7.8% of the Group's total assets and 12.4% of the aggregate fair value of the Group's investment portfolio. In terms of performance, a fair value gain of HK\$39.9 million (30 June 2024: fair value loss of HK\$12.4 million) on such investment was recognised in profit or loss for the period. Distribution of HK\$2.3 million was received from such investment for the period (30 June 2024: HK\$17.9 million).

Other than the significant investments mentioned above, the carrying amount of each of the financial assets of the Group's investment portfolio represented less than 5% of the Group's total assets as at 30 June 2025. Other financial assets mainly composed of unlisted fund investments and equity securities (accounting for 60.6% and 27.0% of the carrying amount of the Group's investment portfolio respectively).

The Group invested in diverse unlisted funds with different focuses on industries, sectors, regions, and asset types, in order to achieve investment objectives of reducing investment concentration risk and to enhance returns for its shareholders. As at 30 June 2025, apart from the significant unlisted fund "DARF" mentioned above, the Group held a total of 52 unlisted funds with an aggregate fair value of HK\$3,368.8 million (accounting for 37.8% of the Group's total assets). The underlying investments include listed and unlisted equity securities, debt securities, private equity funds, structured products and venture capital deals in various regions, covering various industries and sectors including air freight, automobile, biotechnology, chemicals, e-Commerce, enterprise software, energy, healthcare and related services, information technology, internet services, industrials and infrastructure, logistic, pharmaceuticals and transportation.

Equity securities held by the Group at 30 June 2025 comprised a total of 41 listed and unlisted equity securities with an aggregate fair value of HK\$1,502.5 million (accounting for 16.9% of the Group's total assets) covering various industry sectors including telecommunications, information technology, e-Commerce, software, biotechnology, materials, financial services, securities investment, asset management, port operation, property (development, investment and management), healthcare and related services, industrial and infrastructure. The listed equity securities are listed in various stock exchanges including Hong Kong, the United States, United Kingdom and Japan.

The Group's investment objective is to increase the value of its treasury management business so as to enhance returns for its shareholders. Through a prudent strategy of maintaining an appropriate mix of different types of investment instruments in its portfolio mainly comprising unlisted funds providing higher growth with a medium to long term horizon, and equity securities providing liquidity, capital appreciation and stable and recurring income, the Group seeks not only to enhance its source of revenue in order to mitigate the risks of losing income from any one particular source, but also to achieve consistent risk-adjusted returns in its investment portfolio.

The future prospects of the Group's unlisted funds and equity securities will be subject to various factors, including but not limited to political, economic, technology, financial and risk factors that are specific to individual industry sectors of the investments and will therefore vary from one investment to another depending on the overall capital and investment market conditions, macroeconomic conditions as well as the prospects of the relevant industry. However, the Group will benefit from a portfolio constructed of different kinds of investments aiming to, on average, yield higher long-term returns and lower the risk associated with any individual investment.

(III) Liquidity, Financial Resources, and Capital Structure

The Group maintained a sound financial and liquidity position for the period. As of 30 June 2025, total assets of the Group amounted to HK\$8,900.4 million (31 December 2024: HK\$8,597.4 million), with approximately 46.5% (31 December 2024: 47.8%) being current assets. The major non-current assets were unlisted funds held for long-term purpose and amounted to HK\$4,059.5 million (31 December 2024: HK\$3,743.7 million). Additionally, the Group reported net assets of HK\$8,132.6 million (31 December 2024: HK\$7,684.3 million) and net current assets of HK\$3,518.2 million (31 December 2024: HK\$3,399.2 million). The net asset value per share was HK\$21.8 (31 December 2024: HK\$20.6).

As at 30 June 2025, the Group held bank deposits and cash amounted to HK\$2,609.0 million (31 December 2024: HK\$2,767.4 million), of which HK\$760.2 million (31 December 2024: HK\$724.1 million) was kept under the motoring schools for recurring operation. The Group had maintained sufficient cash reserves to fulfill capital contributions to unlisted funds.

The Group did not have any bank borrowings as of 30 June 2025 (31 December 2024: nil). Most of the bank deposits and cash were denominated in United State dollars or Hong Kong dollars. The gearing ratio was not applicable to the Group. If applicable, the gearing ratio is calculated as the ratio of net borrowings to total equity.

(IV) *Foreign Currency Exposure*

The Group's primary business transactions, assets, and liabilities are denominated in Hong Kong dollars and United States dollars. The Group considers its foreign currency exposure arising from United States dollars would not be material as Hong Kong dollar is pegged against United States dollar. The Group has foreign currency risk mainly through its financial assets in currencies other than United States dollars and Hong Kong dollars, principally Australian dollars and British pounds. As at 30 June 2025, financial assets denominated in Australian dollars and British pounds accounted for 1.4% and 1.2% of the Group's total assets respectively. The Group has not used derivative financial instruments to hedge its foreign currency exposures during the period.

(V) *Pledge of Assets*

Certain securities were pledged to a financial institution to secure margin and securities facilities granted to the Group in respect of securities and derivatives transactions. As at 30 June 2025 and 31 December 2024, these facilities were not utilised by the Group.

(VI) *Comments on Segmental Information*

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are motoring school operations, treasury management and securities investment. The principal activities of the Company's joint venture are electronic toll operation and smart city solutions.

(VII) *Employees*

The Company and its subsidiaries have 688 employees. Employees are remunerated according to job nature and market trends, with a built-in merit component incorporated in the annual increment to reward and motivate individual performance. Apart from provident fund schemes and medical insurance, discretionary bonuses or employee share options will be awarded to employees of the Group at the discretion of the board of directors, depending upon the financial performance of the Group. Total staff costs for the current period amounted to HK\$182.4 million (30 June 2024: HK\$177.7 million).

CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2025, the Company complied with the code provisions of the Corporate Governance Code (the “CG Code”) set out in Appendix C1 to the Main Board Listing Rules (the “Listing Rules”) save for the deviation described below.

The Company has no formal letters of appointment for directors except the managing director setting out the key terms and conditions of their appointment, and has therefore deviated from C.3.3 of the CG Code. This notwithstanding, every director, including those appointed for a specific term, shall be subject to retirement by rotation, removal, vacation or termination of the office as a director, and disqualification to act as a director in the manner specified in the Company’s articles of association, applicable laws and the Listing Rules. Shareholders are sent (at the same time as the notice of the relevant general meeting) a circular containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the re-election of each retiring director who stands for re-election at the meeting, including the information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted codes of conduct regarding securities transactions by directors and by relevant employees (within the meaning of the CG Code) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the “Model Code”).

All directors confirmed that they had complied with the required standard set out in the Model Code and the Company’s code of conduct regarding directors’ securities transactions throughout the period.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any shares in the Company during the period.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the Company’s website at www.ch.limited and the HKEXnews website at www.hkexnews.hk. The Company’s 2025 Interim Report will be available on both websites and despatched to the shareholders of the Company as per the Company’s corporate communications arrangements in due course.

On behalf of the Board
Yeung Hin Chung, John
Managing Director

Hong Kong, 21 August 2025

As at the date hereof, the Board comprises Cheung Chung Kiu, Yeung Hin Chung, John, Yuen Wing Shing, Wong Chi Keung, Leung Wai Fai and Tung Wai Lan, Iris who are executive directors; and Ng Kwok Fu, Leung Yu Ming, Steven and Wong Lung Tak, Patrick who are independent non-executive directors.