



2025

INTERIM REPORT

中 彩 網 通 控 股 有 限 公 司
China Netcom Technology Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 8 0 7 1)



CHARACTERISTICS OF GEM ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Main Board of the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

*This report, for which the directors (the "**Directors**") of China Netcom Technology Holdings Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

This report will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for a minimum period of 7 days from the date of its publication and on the website of the Company at www.irasia.com/listco/hk/chinanetcom.

HIGHLIGHTS

- The unaudited consolidated revenue of the Group from continuing operations for the six months ended 30 June 2025 was approximately HK\$13,023,000 (six months ended 30 June 2024: approximately HK\$17,971,000), representing a decrease of approximately 28% as compared with that for the corresponding period in 2024.
- The Group recorded an unaudited consolidated loss from continuing and discontinued operations attributable to owners of the Company of approximately HK\$3,872,000 for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately HK\$3,402,000).
- The unaudited basic and diluted loss per share from continuing and discontinued operations of the Company was approximately HK0.08cents for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately HK0.07 cents).
- The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

RESULTS

The board of Directors (the “**Board**”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 together with the comparative figures for the corresponding periods in 2024 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025 (Unaudited)

		(Unaudited)	
		Six months ended 30 June	2024
		2025	2024
		HK\$'000	HK\$'000
			(Restated)
		Note	
Revenue	2	13,023	17,971
Cost of sales and services		(11,666)	(16,427)
Gross profit		1,357	1,544
Other income and losses, net		(995)	(82)
Administrative expenses		(4,471)	(4,527)
Finance costs	4	—	(15)
Loss before tax		(4,109)	(3,080)
Income tax credit	5	5	16
Loss for the period from continuing operations	6	(4,104)	(3,064)
Profit/(Loss) for the period from discontinued operation	7	134	(1,026)
Loss for the period		(3,970)	(4,090)
Other comprehensive expense			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
— Exchange differences on translating continuing foreign operations		(11)	(8)
— Exchange differences on translating discontinued foreign operation, net of nil tax		—	—
Other comprehensive expense for the period		(11)	(8)
Total comprehensive expense for the period		(3,981)	(4,098)

		(Unaudited)	
		Six months ended 30 June	
		2025	2024
Note		HK\$'000	HK\$'000
			(Restated)
Profit/(Loss) attributable to:			
Owners of the Company			
	— Continuing operations	(3,940)	(2,879)
	— Discontinued operation	68	(523)
		<u>(3,872)</u>	<u>(3,402)</u>
Non-controlling interests			
	— Continuing operations	(164)	(185)
	— Discontinued operation	66	(503)
		<u>(98)</u>	<u>(688)</u>
		<u>(3,970)</u>	<u>(4,090)</u>
Total comprehensive income/(expense) attributable to:			
Owners of the Company			
	— Continuing operations	(3,949)	(2,883)
	— Discontinued operation	68	(523)
		<u>(3,881)</u>	<u>(3,406)</u>
Non-controlling interests			
	— Continuing operations	(166)	(189)
	— Discontinued operation	66	(503)
		<u>(100)</u>	<u>(692)</u>
		<u>(3,981)</u>	<u>(4,098)</u>
Loss per share from continuing operations			
	— Basic and diluted		
	(HK cents per share)	<u>(0.08)</u>	<u>(0.06)</u>
Loss per share from continuing and discontinued operations			
	— Basic and diluted		
	(HK cents per share)	<u>(0.08)</u>	<u>(0.07)</u>

The accompany notes are an integral part of this interim financial information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025 (Unaudited)

		(Unaudited) 30 June 2025 HK\$'000	(Audited) 31 December 2024 HK\$'000
	Note		
Non-current assets			
Property, plant and equipment	9	—	3
Intangible assets	10	118	—
Right-of-use assets		—	248
		118	251
Current assets			
Inventories		—	40
Trade and other receivables	11	9,729	2,107
Amount due from an intermediate holding company		439	—
Amount due from ultimate holding Company		—	4
Amount due from a fellow subsidiary		—	1
Cash and bank balances		6,537	13,281
		16,705	15,433
Current liabilities			
Trade and other payables	12	10,549	4,086
Contract liabilities		29	227
Lease liabilities		—	226
Amount due to an intermediate holding company		—	914
		10,578	5,453
Net current assets		6,127	9,980
Total assets less current liabilities		6,245	10,231

	(Unaudited) 30 June 2025 <i>HK\$'000</i>	(Audited) 31 December 2024 <i>HK\$'000</i>
<i>Note</i>		
Non-current liabilities		
Deferred tax liabilities	—	5
	—	5
Net assets	6,245	10,226
Capital and reserves		
Share capital	23,430	23,430
Reserves	(16,536)	(12,655)
Equity attributable to owners of the Company	6,894	10,775
Non-controlling interests	(649)	(549)
Total equity	6,245	10,226

The accompany notes are an integral part of this interim financial information.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 (Unaudited)

Attributable to owners of the Company									
Share Capital — ordinary shares (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Capital contribution reserve (Unaudited) HK\$'000	Capital redemption reserve (Unaudited) HK\$'000	Foreign currency translation reserve (Unaudited) HK\$'000	Other reserve (Unaudited) HK\$'000	Accumulated losses (Unaudited) HK\$'000	Subtotal (Unaudited) HK\$'000	Non- controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
Balance at 1 January 2024	23,430	3,466,638	9,777	1	117,653	(49)	(3,599,068)	18,382	17,120
Loss for the period	—	—	—	—	—	(3,402)	(3,402)	(688)	(4,090)
Other comprehensive expenses for the period	—	—	—	—	(4)	—	(4)	(4)	(8)
Total comprehensive expense for the period	—	—	—	—	(4)	(3,402)	(3,406)	(692)	(4,098)
Balance at 30 June 2024	23,430	3,466,638	9,777	1	117,649	(49)	(3,602,470)	14,976	13,022

Attributable to owners of the Company									
Share Capital — ordinary shares (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Capital contribution reserve (Unaudited) HK\$'000	Capital redemption reserve (Unaudited) HK\$'000	Foreign currency translation reserve (Unaudited) HK\$'000	Other reserve (Unaudited) HK\$'000	Accumulated losses (Unaudited) HK\$'000	Subtotal (Unaudited) HK\$'000	Non- controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
Balance at 1 January 2025	23,430	3,466,638	9,777	1	117,644	(49)	(3,606,666)	10,775	10,226
Loss for the period	—	—	—	—	—	(3,872)	(3,872)	(98)	(3,970)
Other comprehensive expense for the period	—	—	—	—	(9)	—	(9)	(2)	(11)
Total comprehensive expense for the period	—	—	—	—	(9)	(3,872)	(3,881)	(100)	(3,981)
Balance at 30 June 2025	23,430	3,466,638	9,777	1	117,635	(49)	(3,610,538)	6,894	6,245

The accompanying notes are an integral part of this interim financial information.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025 (Unaudited)

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Net cash (used in)/generated from operating activities	(6,762)	170
Net cash used in investing activities	(8)	(704)
Net cash used in financing activities	—	(219)
Net decrease in cash and cash equivalents	(6,770)	(753)
Cash and cash equivalents at the beginning of period	13,281	17,996
Effect of foreign exchange rate changes, net	26	(18)
Cash and cash equivalents at the end of period	6,537	17,225
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	6,537	17,225

The accompany notes are an integral part of this interim financial information.

NOTES TO THE INTERIM FINANCIAL INFORMATION

1 BASIS OF PREPARATION AND IMPACT OF NEW HKFRSs AND HKASs

The unaudited consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with the Hong Kong Accounting Standards (“**HKASs**”) 34 “Interim Financial Reporting”, other relevant HKASs and Interpretations (“**Ints**”) and Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure required by the GEM Listing Rules. It has been prepared under historical cost basis except for certain financial instruments that are measured at fair value.

The unaudited consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 31 December 2024, except for the adoption of the new and revised HKFRSs (which include individual HKFRSs, HKASs and Ints).

In the current interim period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2025. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies and amounts reported for the current and prior periods.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

The unaudited consolidated financial statements do 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 31 December 2024.

2 REVENUE

An analysis of the Group's revenue for the below-mentioned periods is as follows:

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
		(Restated)
Revenue from contracts with customers within scope of HKFRS 15		
Continuing operations:		
Provision of automotive culture business	8,001	—
Provision of smart retail services	5,022	17,971
	13,023	17,971

3 SEGMENT INFORMATION

The Group's operating segments are determined based on information reported to the Directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

During the year ended 31 December 2024, the Group disposed of its business in AWS cloud services, which was an operating segment included in smart retail business as previously reported.

Specifically, the Group's reportable and operating segments under HKFRS 8 "Operating Segments" are as follows:

Continuing operations

Smart retail business — provision of new retail digital transformation solutions to and operation of new retail integrated software service platform for chain retailers and merchants, and provision of extended services such as smart retail system and cloud services, etc.

Automotive culture business — engaging in buying and selling various automotive-related accessories and peripheral products.

Discontinued operation

AWS cloud service business — provision of cloud storage and computing services.

The following tables present the revenue and results for the six months ended 30 June 2025 and 2024, and the total assets and total liabilities as at 30 June 2025 and 31 December 2024 for each of the Group's business segments:

	Continuing operations			Discontinued operation		
	Smart retail business HK\$'000	Automotive culture business HK\$'000	Subtotal HK\$'000	AWS cloud services business HK\$'000	Subtotal HK\$'000	Total HK\$'000
Six months ended 30 June 2025 (Unaudited)						
Segment revenue	5,022	8,001	13,023	134	134	13,157
Segment profit/(loss)	(239)	(768)	(1,007)	134	134	(873)
Interest on bank deposits, other income and losses, net			(383)		—	(383)
Central administration costs			(2,719)		—	(2,719)
Profit/(loss) before tax			(4,109)		134	(3,975)

	Continuing operation		Discontinued Operation		Total
	Smart retail business HK\$'000 (Restated)	Subtotal HK\$'000 (Restated)	AWS cloud services business HK\$'000 (Restated)	Subtotal HK\$'000 (Restated)	
Six months ended 30 June 2024 (Unaudited)					
Segment revenue	17,971	17,971	4,570	4,570	22,541
Segment loss	(385)	(385)	(1,026)	(1,026)	(1,411)
Interest on bank deposits, other income and losses, net		(79)		—	(79)
Central administration costs		(2,616)		—	(2,616)
Loss before tax		(3,080)		(1,026)	(4,106)

	Continuing operations			Discontinued operation	
	Smart retail business HK\$'000	Automotive culture business HK\$'000	Unallocated HK\$'000	AWS cloud services business HK\$'000	Total HK\$'000
As at 30 June 2025 (Unaudited)					
Segment assets	6,028	3,346	—	—	9,374
Corporate and unallocated assets			7,449		7,449
Consolidated assets					16,823
Segment liabilities	5,343	4,706	—	—	10,049
Corporate and unallocated liabilities			529		529
Consolidated liabilities					10,578

	Continuing operations			Discontinued operation	
	Smart retail business HK\$'000	Automotive culture business HK\$'000	Unallocated HK\$'000	AWS cloud services business HK\$'000	Total HK\$'000
As at 31 December 2024 (Audited)					
Segment assets	1,854	304	—	—	2,158
Corporate and unallocated assets			13,526		13,526
Consolidated assets					15,684
Segment liabilities	1,230	302	—	—	1,532
Corporate and unallocated liabilities			3,926		3,926
Consolidated liabilities					5,458

4 FINANCE COSTS

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Interest on lease liabilities	—	15

5 INCOME TAX CREDIT

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current tax	(1)	—
Deferred tax	6	16
Income tax credit	5	16
Income tax credit is attributable to:		
— Continuing operations	5	16
— Discontinued operation	—	—
	5	16

Income tax recognised in profit or loss

No provision for Hong Kong profits tax had been made as the Group had no assessable profits arising in or derived from Hong Kong for the six months ended 30 June 2025 and 2024.

Under the prevailing tax law in the People's Republic of China (the "PRC"), the corporate income tax rate of the PRC subsidiaries is 25% for the six months ended 30 June 2025 and 2024. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The Group did not have any significant unprovided deferred tax liabilities as at 30 June 2025 and 31 December 2024.

6 LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Loss for the period from continuing operations has been arrived at after (crediting)/charging:		
Bank interest income	(120)	(173)
Net foreign exchange losses	524	219
Auditor's remuneration	240	250
Employee benefits expenses (excluding directors' emoluments)		
— Salaries, bonus and other benefits in kind	1,509	1,753
— Contributions to retirement benefits schemes	248	196
Directors' emoluments	416	739
Loss allowance for trade and other receivables	612	4,846
(Gain)/loss on lease termination	(6)	36
Amortisation of intangible assets	10	—
Loss on disposal of property, plant and equipment	3	—
Depreciation of property, plant and equipment	—	3
Depreciation of right-of-use assets	28	191

7 DISCONTINUED OPERATION

During the year ended 31 December 2024, the Group disposed of its business in AWS cloud services, which was an operating segment included in smart retail business as previously reported. The results of the discontinued operation for the periods ended 30 June 2025 and 2024 are presented below. The comparative figures in the unaudited consolidated statement of profit or loss and other comprehensive income have been restated to re-present the AWS cloud services business as discontinued operation.

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
		(Restated)
Revenue	134	4,570
Other income and losses, net	—	(5,596)
Profit/(Loss) before tax	134	(1,026)
Income tax charge	—	—
Other comprehensive income for the period	—	—
Total comprehensive income/(expense) arises from discontinued operation for the period	134	(1,026)

8 LOSS PER SHARE

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

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
		(Restated)
Loss		
(Loss)/Profit for the period attributable to owners of the Company for the purposes of basic and diluted loss per share		
— From continuing operations	(3,940)	(2,879)
— From discontinued operation	68	(523)
	(3,872)	(3,402)

Number of shares

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	'000	'000
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	4,686,048	4,686,048

There was no difference between the basic and diluted loss per share during the six months ended 30 June 2025 and 2024 as there were no dilutive potential shares outstanding for the periods.

9 PROPERTY, PLANT AND EQUIPMENT

	(Unaudited) As at 30 June 2025 HK\$'000	(Audited) As at 31 December 2024 HK\$'000
Net book value, beginning of the period/year	3	6
Depreciation	—	(3)
Disposal	(3)	—
Net book value, end of the period/year	—	3
Cost	2,173	2,233
Accumulated depreciation and impairment	(2,173)	(2,230)
Net book value, end of the period/year	—	3

10 INTANGIBLE ASSETS

	(Unaudited) As at 30 June 2025 HK\$'000	(Audited) As at 31 December 2024 HK\$'000
Net book value, beginning of the period/year	—	—
Addition	128	—
Amortisation	(10)	—
Net book value, end of the period/year	118	—
Cost	128	—
Accumulated amortisation	(10)	—
Net book value, end of the period/year	118	—

Intangible assets represent the development costs of an online platform.

11 TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade receivables, based on the respective invoice date and net of loss allowance, and other receivables are as follows:

	(Unaudited) As at 30 June 2025 HK\$'000	(Audited) As at 31 December 2024 HK\$'000
0-30 days	3,169	—
31-60 days	1,481	16
61-90 days	495	1
Over 90 days	—	—
Trade receivables, net of loss allowance	5,145	17
Deposits, other receivables and prepayments	4,584	2,090
Total trade and other receivables	9,729	2,107

Trade receivables are due within 60 days from the date of billing.

12 TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, and other payables are as follows:

	(Unaudited) As at 30 June 2025 HK\$'000	(Audited) As at 31 December 2024 HK\$'000
0-30 days	1,255	—
31-60 days	1,518	—
61-90 days	1,195	—
Over 90 days	207	204
Total trade payables	4,175	204
Accrued salaries and other benefits in kind	336	1,590
Other payables and accruals	6,038	2,292
Total trade and other payables	10,549	4,086

13 RELATED PARTY TRANSACTIONS

Save as disclosed in this report, the Group had the following significant transactions with related parties during the period:

Compensation of key management personnel

The remuneration of directors and other members of key management of the Group during the period was as follows:

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Short-term benefits	416	721
Post-employment benefits	—	18
	416	739

Revenue earned from a related company

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Provision of smart retail services to an intermediate holding company	409	—
	409	—

14 INTERIM DIVIDEND

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

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Smart Retail Business

The Group's smart retail business positions itself as an integrated smart retail provider. Its main business is to provide new retail digital transformation solutions to and operate new retail integrated service platform for customers such as chain enterprises and merchants, and provide extended services such as smart retail system and cloud services (cloud storage and cloud computing). Along with the rapid growth in demand for smart retail business in Mainland China, smart retail business has become the focal point of business development of the Group.

The Group receives income that are based on customer's volume of usage of smart retail systems and cloud services such as transaction amount and cloud service usage. For the six months ended 30 June 2025, the Group's continuing operation of smart retail business recorded revenue of approximately HK\$5,022,000 (six months ended 30 June 2024: approximately HK\$17,971,000).

For the six months ended 30 June 2025, the Group's discontinued operation of smart retail business ("**AWS cloud services business**") recorded revenue of approximately HK\$134,000 (six months ended 30 June 2024: approximately HK\$4,570,000). For the six months ended 30 June 2025, the Group's smart retail business recorded a total revenue of approximately HK\$5,156,000 (six months ended 30 June 2024: approximately HK\$22,541,000). The year-on-year decrease in revenue was mainly due to the decline in income from cloud services business and operational adjustments.

Automotive Culture Business

Against the backdrop of increasing consumer demand for automotive-related accessories and peripheral products, the Group's automotive culture business demonstrates strong market potential. Consumers' lifestyles are becoming increasingly diverse, and in addition to focusing on the performance of the vehicle itself, they also expect suitable leisure and outdoor activity products. The Group's strategy for its automotive culture business is to collaborate with other car manufacturers to provide customized designs based on demand with products including backpacks and cameras. Orders are placed through the online platforms of these car manufacturers to achieve efficient supply. This strategy not only expands our market coverage but also leverages the brand influence of our partners to further enter the consumer's awareness. For the six months ended 30 June 2025, the automotive culture business of the Group recorded revenue of approximately HK\$8,001,000 (six months ended 30 June 2024: Nil).

Financial Review and Treasury Policies

For the six months ended 30 June 2025, the Group recorded an unaudited consolidated revenue from continuing operations of approximately HK\$13,023,000 (six months ended 30 June 2024: approximately HK\$17,971,000), representing a decrease of approximately 28% as compared with that of the corresponding period in 2024. The revenue of the Group for the six months ended 30 June 2025 was derived from smart retail business and automotive culture business. For the six months ended 30 June 2025, the unaudited consolidated loss from continuing operations attributable to owners of the Company was approximately HK\$3,940,000 (six months ended 30 June 2024: approximately HK\$2,879,000).

The Group's discontinued operation, being its AWS cloud services business, had achieved an unaudited consolidated profit attributable to owners of the Company of approximately HK\$68,000 for the six months ended 30 June 2025 (six months ended 30 June 2024: unaudited consolidated loss attributable to owners of the Company of approximately HK\$523,000).

For the six months ended 30 June 2025, the unaudited consolidated loss from continuing and discontinued operations attributable to owners of the Company was approximately HK\$3,872,000 (six months ended 30 June 2024: approximately HK\$3,402,000), representing an increase of approximately 14% as compared with that of the corresponding period in 2024. The increase was due to decline of income from cloud services business and the Company's operational adjustments.

The Group adopts centralized treasury policies in cash and financial management and is committed to reducing the Group's overall interest expenses.

Liquidity and gearing ratio

As at 30 June 2025, the Group recorded total assets of approximately HK\$16,823,000 (31 December 2024: approximately HK\$15,684,000), total liabilities of approximately HK\$10,578,000 (31 December 2024: approximately HK\$5,453,000) and cash and bank balances of approximately HK\$6,537,000 (31 December 2024: approximately HK\$13,281,000), which were denominated in Renminbi, Hong Kong Dollars and United States Dollars. As at 30 June 2025, the current ratio of the Group was approximately 1.5 (31 December 2024: approximately 2). As at 30 June 2025, the Group had no bank borrowings or facilities (31 December 2024: Nil) and the gearing ratio (calculated as total borrowings divided by total assets) was nil (31 December 2024: Nil).

Capital structure

As at 30 June 2025, the capital structure of the Group consisted of equity attributable to owners of the Company of approximately HK\$6,894,000 (31 December 2024: approximately HK\$10,775,000), comprising issued share capital and reserves.

As at 30 June 2025, the Company's total number of issued shares (the "**Shares**") of HK\$0.005 each was 4,686,048,381 Shares (31 December 2024: 4,686,048,381 Shares).

Charge on the Group's assets

As at 30 June 2025, the Group did not have any charge on its assets (31 December 2024: Nil).

Significant investments, material acquisitions or disposals of subsidiaries, associates or joint ventures

There were no other significant investments held, nor were there material acquisitions or disposals of subsidiaries, associates and joint ventures by the Group during the six months ended 30 June 2025.

Capital investment and future plans for material investment or capital asset purchase

During the six months ended 30 June 2025, the Group did not make any payment (six months ended 30 June 2024: Nil) for the purchase of property, plant and equipment and had no specific plan for material investment or acquisition of capital assets as at 30 June 2025.

Exposure to fluctuation in exchange rates

The Group's sales and purchases were mostly denominated in Hong Kong Dollars ("HK\$") and Renminbi ("RMB").

RMB is not a freely convertible currency. Future exchange rates of RMB could vary significantly from the current or historical exchange rates as a result of controls that could be imposed by the PRC government. The exchange rates may also be affected by economic developments and political changes domestically and internationally, and the demand and supply of RMB. The appreciation or devaluation of RMB against HK\$ may have an impact on the results of the Group.

The Group monitors its foreign currency risks and will consider hedging significant currency exposures should the need arise.

No hedging transaction had been entered into by the Group during the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

Contingent liabilities

As at 30 June 2025, the Group had no significant contingent liabilities (31 December 2024: Nil).

Employees and remuneration policies

As at 30 June 2025, the Group had a total of 8 employees (31 December 2024: 12). During the six months ended 30 June 2025, total staff costs, including total Directors' emoluments, amounted to approximately HK\$2.2 million (six months ended 30 June 2024: approximately HK\$2.7 million). The salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually.

Prospects

Looking ahead, the Group's business growth will continue to be propelled by its smart retail business, with development and operation of smart retail business system and software and hardware sales services as its core businesses. With the popularization of generative artificial intelligence and other technologies, consumption boosting policies as well as the relevant policies of the PRC government to promote supply-side structural reform, it is expected to drive the demand for smart retail services in the future. The Group will closely monitor the operating performance of its businesses in the Mainland China market, while continuing to adjust its business strategy and centralizing its resources in operating units with greater growth potential. At the same time, the Group will continue to pay attention to the development trends of the market and the consumer demand, adjust cost-saving measures, while exploring business opportunities in various industries, including new quality productive forces and Internet new retail.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATION

As at 30 June 2025, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”) (Cap. 571 of the Laws of Hong Kong)), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO), or pursuant to section 352 of the SFO, to be recorded in the register of the Company referred to therein, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings in securities by directors of listed issuers (the “**Required Standard of Dealings**”) as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long position in shares of associated corporation

Name of Director	Name of associated corporation	Capacity and nature of interests	Number of shares	Approximate percentage of issued shares ⁽¹⁾
Mr. Sun Haitao (“Mr. Sun”)	Vala Inc. (formerly known as 51 Credit Card Inc.) (“VALA”)	Founder of a discretionary trust who can influence how the trustee exercises his discretion ⁽²⁾	108,159,464	6.64%
		Others ⁽²⁾	50,355,000	3.09%
		Others ⁽²⁾	120,969,142	7.42%
		Beneficial owner ⁽³⁾	28,599,130	1.75%
			308,082,736	18.90%
Ms. Wu Shan (“Ms. Wu”)	VALA	Beneficial owner ⁽⁴⁾	1,689,770	0.10%

Notes:

- (1) The calculations were based on the number of shares as a percentage of the total number of issued shares of VALA (i.e. 1,629,984,225 shares) as at 30 June 2025.
- (2) Rising Sun Limited (the sole shareholder of which is Wukong Ltd., which is beneficially owned by a discretionary trust, Wukong Trust, founded by Mr. Sun), (i) beneficially held 108,159,464 shares in VALA; (ii) acted as a general partner and controls 51 Xinhua L.P., which in turn holds 50,355,000 shares in VALA; and (iii) pursuant to various voting proxies, Rising Sun Limited is entitled to exercise, in its sole discretion, all the voting power associated with the 142,708,272 shares in VALA (out of which 21,739,130 are shares in VALA underlying restricted share units ("**RSUs**") granted to Mr. Sun under the 51 Stock Scheme (the "**51 Stock Scheme**") adopted by VALA on 20 November 2017 and amended on 31 March 2025) on all matters submitted to a vote of shareholders at any meeting of VALA's shareholders. Accordingly, Mr. Sun is interested in the 21,739,130 shares in VALA underlying the RSUs granted to him by virtue of the SFO. Mr. Sun is deemed to be interested in the 120,969,142 shares in VALA in which Rising Sun Limited is or is deemed to be interested.
- (3) These shares in VALA comprise (a) 6,860,000 shares in VALA held by Mr. Sun; and (b) 21,739,130 shares in VALA underlying RSUs under the 51 Stock Scheme.
- (4) These shares in VALA comprise (a) 920,000 shares in VALA held by Ms. Wu; (b) 669,770 shares in VALA underlying RSUs granted to Ms. Wu under the 51 Stock Scheme; and (c) 100,000 shares in VALA underlying RSUs granted to Ms. Wu under the 51 Award Scheme (adopted by VALA on 20 November 2017 and amended on 31 March 2025).

Save as disclosed above, as at 30 June 2025, no other Director or chief executive of the Company had or was deemed to have any interest or short position in any shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions 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 Required Standard of Dealings.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSON IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2025, so far as was known to the Directors, the persons or entities, other than the Directors or chief executives of the Company, who had or was deemed to have an interest or a short position in the Shares, underlying Shares and debentures of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO, or which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Names	Capacity and nature of interests	Number of Shares directly or indirectly held and category ⁽⁵⁾	Approximate percentage of issued Shares ⁽¹⁾
Substantial Shareholders			
VALA ⁽²⁾⁽⁴⁾	Interest in controlled corporation	1,358,954,030 (L)	29.00%
51 Credit Card (China) Limited ⁽²⁾⁽⁴⁾	Interest in controlled corporation	1,358,954,030 (L)	29.00%
Hangzhou Zhenniu Information Technology Co., Ltd.* ("Hangzhou Zhenniu") ⁽²⁾⁽⁴⁾	Interest in controlled corporation	1,358,954,030 (L)	29.00%
Hangzhou Jiahao Technology Co., Ltd.* ("Hangzhou Jiahao") ⁽²⁾⁽⁴⁾	Interest in controlled corporation	1,358,954,030 (L)	29.00%
Shanghai Wuniu Network Technology Co., Ltd.* ("Shanghai Wuniu") ⁽²⁾⁽⁴⁾	Interest in controlled corporation	1,358,954,030 (L)	29.00%
51RENPIN.COM INC. ⁽²⁾⁽⁴⁾	Beneficial owner	1,358,954,030 (L)	29.00%
Mr. Zuo Lei	Beneficial owner	511,025,000 (L)	10.91%
Zheng Minggao ("Mr. Zheng") ⁽³⁾⁽⁴⁾	Interest in controlled corporation	1,358,954,030 (L)	29.00%
Ningbo Qichen Investment Holdings Co., Ltd.* (寧波啟辰投資控股有限公司) ("Ningbo Qichen") ⁽³⁾⁽⁴⁾	Interest in controlled corporation	1,358,954,030 (L)	29.00%
Beijing Tongsen Capital Holdings Co., Ltd.* (北京同森資本控股有限公司) ("Beijing Tongsen") ⁽³⁾⁽⁴⁾	Interest in controlled corporation	1,358,954,030 (L)	29.00%

Names	Capacity and nature of interests	Number of Shares directly or indirectly held and category ⁽⁵⁾	Approximate percentage of issued Shares ⁽¹⁾
Shandong Qichen Zhongke Investment Holding Co., Ltd* (山東啟辰中科技投資控股有限公司) ("Shandong Qichen") ⁽³⁾⁽⁴⁾	Interest in controlled corporation	1,358,954,030 (L)	29.00%
Qichen High-tech Management Consulting Ltd. ("Qichen High-tech") ⁽³⁾⁽⁴⁾	Beneficial owner	1,358,954,030 (L)	29.00%

Notes:

- (1) The calculations were based on the number of Shares which each party is interested in (whether directly or indirectly interested or deemed to be interested) as a percentage of the total number of issued Shares (i.e. 4,686,048,381 Shares) as at 30 June 2025.
- (2) 51RENPIN.COM INC. is wholly owned by Shanghai Wuniu, which is in turn wholly owned by Hangzhou Jiahao. Further, contractual arrangements have been entered into between Hangzhou Zhenniu (a company wholly owned by 51 Credit Card (China) Limited, which is in turn wholly owned by VALA) and Hangzhou Jiahao so that Hangzhou Zhenniu can control Hangzhou Jiahao. By virtue of the SFO, the above companies are deemed to be interested in those Shares held by 51RENPIN.COM INC., respectively. Mr. Sun is a director of each of Shanghai Wuniu and 51RENPIN.COM INC.
- (3) Qichen High-tech is wholly owned by Shangdong Qichen, which is in turn owned as to 99% by Beijing Tongsen and 1% by Mr. Zheng. Beijing Tongsen is owned as to 99% by Ningbo Qichen and 1% by Mr. Zheng and Ningbo Qichen is wholly owned by Mr. Zheng. Accordingly, each of Shangdong Qichen, Beijing Tongsen, Ningbo Qichen and Mr. Zheng is deemed to be interested in all the Shares in which Qichen High-tech was interested by virtue of the SFO.
- (4) On 24 January 2025, (i) 51RENPIN.COM INC. and VALA; and (ii) Qichen High-tech and Shangdong Qichen entered into a share sale and purchase agreement (the "SPA") pursuant to which 51RENPIN.COM INC. and VALA conditionally agreed to sell, and Qichen High-tech and Shangdong Qichen conditionally agreed to purchase 1,358,954,030 Shares (the "SPA Shares"), representing approximately 29% of the total issued Shares as of 30 June 2025. The completion of the SPA has yet to be taken place as of 30 June 2025, and thus 51RENPIN.COM INC., Qichen High-tech and their respective holding companies were all interested in the SPA Shares by virtue of the SFO.
- (5) (L) — Long Position.

Save as disclosed above, so far as was known to the Directors, as at 30 June 2025, there was no person (not being a Director or a chief executive of the Company) who had or was deemed to have an interest or short position in the Shares, underlying shares and debentures of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO, or which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed in maintaining high standards of corporate governance in order to uphold the transparency of the Group and safeguard the interests of the shareholders of the Company.

For the six months ended 30 June 2025, the Company had applied and complied with all the code provisions in the corporate governance code (the “CG Code”) as set out in Part 2 of Appendix C1 to the GEM Listing Rules, save and except for the following:

Code Provision C.2.1

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Currently, Mr. Sun being the chairman of the Board, also serves as the function of chief executive officer of the Company (the “CEO”) which is deviated from the code provision C.2.1 of the CG Code that the roles of chairman and the CEO are performed by the same individual. The Board considers that Mr. Sun possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. In the opinion of the Directors, through supervision by the Board and the independent non-executive Directors, the same individual performing the roles of chairman and the CEO can achieve the goal of improving the Company’s efficiency in decision making, execution and effectively capturing business opportunities.

The Board will review the effectiveness of this arrangement from time to time. The Company is still looking for a suitable candidate to fill the vacancy of the CEO in order to comply with the CG Code.

Note: The amendments to the CG Code effective on 1 July 2025 will apply to the corporate governance reports and annual reports of the Company for financial years commencing on or after 1 July 2025. For this interim report, the Company shall refer to the then effective CG Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions by Directors (the “**Code**”) which is on terms no less exacting than the Required Standard of Dealings against which issuers and their Directors must measure their conduct(s) regarding transactions in securities of their issuers. The Company made specific enquiries with all Directors and had not been notified of any non-compliance with the Required Standard of Dealings and the Code by any of the Directors during the six months ended 30 June 2025.

AUDIT COMMITTEE

The Group’s unaudited consolidated results and interim report for the six months ended 30 June 2025 have been reviewed by the audit committee of the Company (the “**Audit Committee**”), which was of the opinion that such statements complied with the applicable accounting standards, the GEM Listing Rules and other legal requirements and that adequate disclosures have been made. The Audit Committee did not have any disagreement on the accounting treatment adopted in the unaudited consolidated interim results of the Group for the six months ended 30 June 2025.

CHANGE IN INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY

The change(s) in the information of the Director and chief executives of the Company as notified to the Company during the six months ended 30 June 2025 and up to the date of this report is as follows:

- The annual Director’s fee of Ms. Wu Shan as executive Director has been changed to HK\$512,000 with effect from 1 January 2025.

Save as disclosed above, there is no change in the information of Directors and chief executives of the Company which is required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules during the six months ended 30 June 2025 and up to the date of this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury Shares) during the six months ended 30 June 2025. The Company did not hold any treasury Shares as of 30 June 2025.

CHANGE IN SINGLE LARGEST SHAREHOLDER

On 24 January 2025, the Board was informed that, (1) (i) 51RENPIN.COM INC., an indirectly wholly-owned subsidiary of VALA and a direct shareholder of the Company, holding approximately 39.16% of the total issued Shares, and VALA (collectively as the “**Vendors**”); and (ii) Qichen High-tech and Shandong Qichen Zhongke Investment Holding Co., Ltd.* (山東啟辰中科投資控股有限公司) (collectively as the “**Purchasers**”) entered into a share sale and purchase agreement (the “**Share Sale and Purchase Agreement**”), pursuant to which the Vendors conditionally agreed to sell, and the Purchasers conditionally agreed to acquire 1,358,954,030 Shares held by 51RENPIN.COM INC., representing approximately 29.00% of total issued Shares as of 24 January 2025; and (2) 51RENPIN.COM INC. entered into a placing agreement (the “**Placing Agreement**”) with a placing agent, pursuant to which 51RENPIN.COM INC. agreed to place through the placing agent up to a maximum of 476,009,183 Shares held by 51RENPIN.COM INC., representing approximately 10.16% of total issued Shares as of 24 January 2025, to individual, professional or institutional investors.

The Placing Agreement and the Share Sale and Purchase Agreement were completed on 9 June 2025 and 15 July 2025 respectively. As such, each of 51RENPIN.COM INC. and VALA is no longer interested in any Shares, and Qichen High-tech has become the single largest shareholder of the Company holding approximately 29.00% of the total issued Shares, as of the date of this report.

For further details, please refer to the announcements of the Company dated 24 January 2025, 9 June 2025 and 15 July 2025.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the end of the period and up to the date of this report.

By order of the Board
China Netcom Technology Holdings Limited
Sun Haitao
Chairman and Executive Director

26 August 2025

As at the date of this report, the executive Directors are Mr. Sun Haitao and Ms. Wu Shan; and the independent non-executive Directors are Mr. Fan Lei, Ms. Liu Jia and Mr. Yu Tat Chi Michael.

* The English name(s) has/have been transliterated from its/their respective Chinese name(s) and is/are for identification purposes only.