



Eco-Tek Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 8169

Interim Report **2025** Healthy Environment **Quality Living**



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This report, for which the directors (the “Directors”) of Eco-Tek Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material aspects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.

SUMMARY

- Revenue for the six months ended 30 April 2025 amounted to HK\$42,312,000 (six months ended 30 April 2024: HK\$51,389,000), representing a decrease of approximately 18% as compared with corresponding period.
- Profit attributable to owners of the Company for the six months ended 31 April 2025 was HK\$179,000 (six months ended 30 April 2024: HK\$2,010,000), representing a decrease of approximately 91% as compared with corresponding period.
- Basic and diluted earnings per share for the six months ended 30 April 2025 was approximately HK0.03 cent (six months ended 30 April 2024: HK0.31 cent), representing a decrease of approximately 90% as compared with corresponding period.



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UNAUDITED INTERIM RESULTS

The board of Directors (the “Board”) of Eco-Tek 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 April 2025 together with the comparative figures as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the six months ended 30 April 2025

	<i>Notes</i>	Six months ended 30 April 2025 HK\$'000	30 April 2024 HK\$'000
Revenue	2	42,312	51,389
Cost of sales		(27,476)	(32,382)
Gross profit		14,836	19,007
Other income, gains and losses		69	245
Selling expenses		(896)	(1,483)
Administrative expenses		(12,766)	(13,132)
Profit from operations	3	1,243	4,637
Finance costs		(341)	(413)
Share of loss of a joint venture		(4)	(334)
Profit before income tax		898	3,890
Taxation	4	(719)	(1,880)
Profit for the Period attributable to owners of the Company		179	2,010

		Six months ended	
		30 April	30 April
		2025	2024
<i>Notes</i>		HK\$'000	HK\$'000
Other comprehensive income for the period			
— Items that may be subsequently reclassified to profit or loss:			
Net movement in hedging reserve		–	15
— derivative financial instruments			
Exchange (loss)/gain on translation of financial statements of foreign operations		(3,487)	1,929
Share of other comprehensive income of a joint venture		(215)	36
		(3,702)	1,980
Total comprehensive income for the period attributable to owners of the Company		(3,523)	3,990
Earnings per share attributable to owners of the Company			
— Basic and diluted	6	HK0.03 cent	HK0.31 cent

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 April 2025

	<i>Notes</i>	As at 30 April 2025 HK\$'000 (Unaudited)	As at 31 October 2024 HK\$'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	7	61,781	66,011
Right-of-use assets	8	4,484	5,444
Interest in a joint venture		4,265	4,484
Deferred tax assets		1,556	1,380
Deposits		122	195
		72,208	77,514
Current assets			
Inventories	9	18,058	15,925
Accounts receivable	10	29,498	31,998
Deposits, prepayments and other receivables		14,475	16,105
Cash and cash equivalents		28,374	27,052
		90,405	91,080
Current liabilities			
Accounts payable	11	11,714	11,599
Accrued liabilities and other payables		15,583	18,046
Contract liabilities	12	7,135	6,554
Lease liabilities		977	1,114
Loan from a related company	13	1,200	1,200
Provision for tax		10,194	9,655
		46,803	48,168
Net current assets		43,602	42,912
Total assets less current liabilities		115,810	120,426

	<i>Notes</i>	As at 30 April 2025 HK\$'000 (Unaudited)	As at 31 October 2024 HK\$'000 (Audited)
Non-current liabilities			
Lease liabilities		327	820
Loan from a related company	13	10,764	11,364
		11,091	12,184
Net assets			
		104,719	108,242
EQUITY			
Equity attributable to owners of the Company			
Share capital		6,495	6,495
Share premium		19,586	19,586
Capital reserve		95	95
General reserve		13,015	13,015
Exchange translation reserve		797	4,499
Capital contribution reserve		7,971	7,971
Retained profits		56,760	56,581
Total equity			
		104,719	108,242

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

	Six months ended 30 April	
	2025	2024
	HK\$'000	HK\$'000
Net cash generated from/(used in) operating activities	1,720	(3,689)
Net cash used in investing activities	(32)	(1,255)
Net cash used in financing activities	(943)	(1,013)
Increase/(decrease) in cash and cash equivalents	745	(5,957)
Effect of foreign exchange rate changes	577	948
Cash and cash equivalents at beginning of the period	27,052	41,485
Cash and cash equivalents at end of the period	28,374	36,476

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 April 2025

	Share capital	Share premium	Capital reserve	General reserve	Hedging reserve	Exchange translation reserve	Capital contribution reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 November 2023	6,495	19,586	95	13,015	(127)	2,139	7,971	58,387	107,561
Profit for the period	-	-	-	-	-	-	-	2,010	2,010
Other comprehensive income for the period	-	-	-	-	15	1,965	-	-	1,980
Total comprehensive income for the period	-	-	-	-	15	1,965	-	2,010	3,900
At 30 April 2024	6,495	19,586	95	13,015	(112)	4,104	7,971	60,397	111,551
At 1 November 2024	6,495	19,586	95	13,015	-	4,499	7,971	56,581	108,242
Profit for the period	-	-	-	-	-	-	-	179	179
Other comprehensive income for the period	-	-	-	-	-	(3,702)	-	-	(3,702)
Total comprehensive income for the period	-	-	-	-	-	(3,702)	-	179	(3,523)
At 30 April 2025	6,495	19,586	95	13,015	-	797	7,971	56,760	104,719

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BASIS OF PREPARATION

Eco-Tek Holdings Limited (the “Company”) is a limited liability company incorporated and domiciled in the Cayman Islands. The Company’s shares are listed on the GEM of the Stock Exchange since 5 December 2001.

The unaudited condensed consolidated financial statements for the six months ended 30 April 2025 are presented in Hong Kong dollars (“HK\$”). Other than those subsidiaries established in the People’s Republic of China (the “PRC”) whose functional currency is Renminbi (“RMB”), the functional currency of the Company and its subsidiaries are HK\$.

The unaudited condensed consolidated financial statements for the six months ended 30 April 2025 are prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institutes of Certified Public Accountants (“HKICPA”). The unaudited condensed consolidated financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules.

The unaudited condensed consolidated financial statement for the six months ended 30 April 2025 should be read in conjunction with audited consolidated financial statements and notes thereto for the year ended 31 October 2024 (“2024 Audited Consolidated financial statements”). Material accounting policy information that have been used in the preparation of these unaudited consolidated financial statements are consistent with those followed in the preparation of 2024 audited consolidated financial statements. It should be noted that accounting estimates and assumptions are used in preparation of the unaudited consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates.

The HKICPA has issued certain new and revised HKFRS Accounting Standards. For those which are effective for accounting period beginning on 1 November 2024, the adoption of the new HKFRS Accounting Standards had no material impact on how the results and financial positions for the current and prior periods have been prepared and presented. For those which are not yet effective and have not been early adopted in prior accounting periods, the Group is in the process of making an assessment of the potential impact of the new pronouncement.

2. REVENUE AND SEGMENT INFORMATION

The Group's revenues from contracts with customers recognised at a point in time during the six months ended 30 April 2025 and 2024 are as follows:

	Six months ended 30 April	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Sales of goods	24,651	29,520
Supply of water	17,661	21,869
	42,312	51,389

The chief operating decision-maker is identified as executive directors. The executive directors have identified the Group's two services lines as reportable segments as follows:

Environment-friendly products : Sales of general and industrial environment-friendly products, components and other related accessories

Water supply plant : Supply of processed water in the PRC

These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

	Six months ended 30 April 2025		
	Environment-friendly products	Water supply plant	Total
	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)
Revenue from external customers	24,651	17,661	42,312
Reportable segment revenue	24,651	17,661	42,312
Reportable segment profit	7,391	6,549	13,940
Other segment information			
Interest income	1	83	84
Depreciation	(276)	(1,762)	(2,038)
Reversal of slow-moving inventories, net	42	-	42
Additions to non-current assets	-	32	32
Reportable segment assets	40,177	116,493	156,670
Reportable segment liabilities	20,724	25,206	45,930

	Six months ended 30 April 2024		
	Environment- friendly products HK\$'000 (Unaudited)	Water supply plant HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Revenue from external customers	29,520	21,869	51,389
Reportable segment revenue	29,520	21,869	51,389
Reportable segment profit	6,719	10,805	17,524
Other segment information			
Interest income	5	60	65
Depreciation	(316)	(2,797)	(3,113)
Reversal of for slow-moving inventories, net	288	–	288
Additions to non-current assets	577	678	1,255
Reportable segment assets	41,676	124,257	165,933
Reportable segment liabilities	17,329	28,212	45,541

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

	Six months ended 30 April	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Reportable segment revenue	42,312	51,389
Group revenue	42,312	51,389
Reportable segment profit	13,940	17,524
Other corporate expenses	(12,697)	(12,887)
Finance costs	(341)	(413)
Share of loss of a joint venture	(4)	(334)
Profit before income tax	898	3,890

Other corporate expense mainly include staff costs, directors' emoluments and short term lease expenses for administration purpose.

	Six months ended 30 April	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Reportable segment assets	156,670	165,933
Interest in a joint venture	4,265	3,887
Other corporate assets	1,678	437
Group total assets	162,613	170,257
Reportable segment liabilities	45,930	45,541
Loan from a related company	11,964	13,165
Group total liabilities	57,894	58,706

3. PROFIT FROM OPERATIONS

Profit from operations is arrived at after charging/(crediting):

	Six months ended 30 April	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Auditor's remuneration		
— Provision for the period	375	545
Cost of inventories recognised as expense, including	27,476	32,382
— Reversal of slow-moving inventories, net	(42)	(288)
Depreciation of property, plant and equipment	2,038	3,113
Depreciation of right-of-use assets	790	838
Exchange losses, net	408	95
Short-term lease expenses	833	705
Staff costs (including directors' emoluments)		
— Wages, salaries and benefits in kind	7,183	8,124
— Pension scheme contributions	771	726
	7,954	8,850

4. TAXATION

	Six months ended 30 April	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax		
Current period		
— PRC	907	1,880
Deferred tax for the period		
— PRC	(188)	—
	719	1,880

Hong Kong profits tax has been provided for at 8.25% on the first HK\$2 million of the estimated assessable profits and 16.5% on the estimated assessable profits above HK\$2 million for the six months ended 30 April 2025 and 2024. No provision has been provided as the Group has tax available losses to set off with assessable profits for the both periods.

The subsidiaries of the Company established in the PRC are subject to the PRC enterprise income tax. PRC enterprise income tax has been provided at the rate of 25% (six months ended 30 April 2024: 25%) on the estimated assessable profits arising in the PRC for the period.

The Group is also subject to PRC withholding tax at the rate of 5% in respect of dividend income derived from PRC incorporated company.

A subsidiary of the Group established and operating in Macau is subject to Macau complementary profits tax for the six months ended 30 April 2025 at the rate of 12% (six months ended 30 April 2024: 12%) according to the relevant laws and regulations in Macau. No provision for Macau complementary profits tax for both years as the Group has no assessable profit arising in Macau.

5. INTERIM DIVIDENDS

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

6. EARNINGS PER SHARE

The basic earnings per share for the period is calculated based on the following data:

	Six months ended 30 April	
	2025	2024
	HK\$'000	HK\$'000
Profit for the period attributable to owners of the Company for the purpose of calculating basic earnings per share	179	2,010

	Number of shares	
	Six months ended 30 April	
	2025	2024
	'000	'000
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	649,540	649,540

The diluted earnings per share is the same as the basic earnings per share, as the Group has no dilutive potential ordinary shares during the current and prior periods.

7. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles	Office equipment	Plant, molds and machinery	Furniture and fixtures	Building and structure	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)

Six months ended 30 April 2025

Opening net book value	1,657	356	1,714	1,059	61,225	66,011
Additions	26	6	–	–	–	32
Depreciation	(134)	(21)	(127)	(179)	(1,577)	(2,038)
Translation difference	(34)	(11)	(154)	–	(2,025)	(2,224)

Closing net carrying amount	1,515	330	1,433	880	57,623	61,781
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At 30 April 2025

Cost	6,170	2,903	36,703	2,651	119,177	167,604
Accumulated depreciation	(4,655)	(2,573)	(35,270)	(1,771)	(61,554)	(105,823)

Net carrying amount	1,515	330	1,433	880	57,623	61,781
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8. RIGHT-OF-USE ASSETS

	Leasehold land	Buildings leased for own use	Office equipment leased for own use	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)

Net carrying amount at				
1 November 2024	3,572	1,761	111	5,444
Depreciation	(56)	(722)	(12)	(790)
Translation differences	(153)	(17)	–	(170)

Net carrying amount at				
30 April 2025	3,363	1,022	99	4,484

9. INVENTORIES

	As at 30 April 2025 HK\$'000 (Unaudited)	As at 31 October 2024 HK\$'000 (Audited)
Merchandise	20,823	18,811
Less: provision for slow-moving inventories	(2,765)	(2,886)
	18,058	15,925

10. ACCOUNTS RECEIVABLE

	As at 30 April 2025 HK\$'000 (Unaudited)	As at 31 October 2024 HK\$'000 (Audited)
Accounts receivables	33,373	35,873
Less: Provision for impairment loss	(3,875)	(3,875)
	29,498	31,998

Accounts receivable are non-interest bearing and they are recognised at their original invoice amounts which represent their fair value at initial recognition.

The Group has a policy of generally allowing a credit period of 60 to 120 days to its trade customers. An ageing analysis of accounts receivable as at the reporting date, based on invoice date, is as follows:

	As at 30 April 2025 HK\$'000 (Unaudited)	As at 31 October 2024 HK\$'000 (Audited)
Outstanding balances with ages:		
Within 90 days	21,485	21,256
91–180 days	4,720	9,291
181–365 days	6,809	4,527
Over 365 days	359	799
	33,373	35,873

11. ACCOUNTS PAYABLE

The credit terms granted by suppliers are generally for a period of 60–180 days. The ageing analysis of accounts and bills payable as at the reporting date, based on invoice date, is as follows:

	As at 30 April 2025 HK\$'000 (Unaudited)	As at 31 October 2024 HK\$'000 (Audited)
Outstanding balances with ages:		
Within 90 days	5,453	6,415
91–180 days	2,112	5,072
181–365 days	4,041	–
Over 365 days	108	112
	11,714	11,599

12. CONTRACT LIABILITIES

	As at 30 April 2025 HK\$'000 (Unaudited)	As at 31 October 2024 HK\$'000 (Audited)
Contract liabilities arising from — Sales of goods	7,135	6,554

The contract liabilities mainly relate to the advance considerations received from customers.

13. LOAN FROM A RELATED COMPANY

Loan from a related company represented amount due to a related company, which is controlled by a substantial shareholder of the Company. The balance was regarded as amount due to a related party. The loan from a related company was unsecured and interest-bearing at 5.500% to 5.875% (31 October 2024: 5.875% to 6.125%) per annum.

Except for the loan from a related company of HK\$1,200,000 as at 30 April 2025 (31 October 2024: HK\$1,200,000), they were not repayable within twelve months from the reporting date as at 30 April 2025 and 31 October 2024.

The directors of the Company consider that the fair values of the loans are not materially different from their carrying amounts.

14. BANKING FACILITIES

The Group's banking facilities were granted for the purpose of general working capital, trade finance and treasury requirement as at 30 April 2025 and 31 October 2024, which were secured by the followings:

- (a) the properties beneficially owned by the substantial shareholder of the Company, as at 30 April 2025 and 31 October 2024;
- (b) corporate guarantee executed by the Company as at 30 April 2025 and 31 October 2024.

15. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances disclosed elsewhere in these unaudited condensed consolidated financial statements, the Group had the following transactions with related parties during the period:

	Six months ended 30 April	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest paid to a related company (note i)	341	413
Short term lease expenses (note ii)	312	369

Note:

- (i) Interest expenses were paid in accordance with the terms as set out in note 13.
 - (ii) Short term lease expenses were paid to a company which is owned by the substantial shareholder of the Company.
- (b) Included in staff costs is key management personnel compensation (including executive directors' remuneration) which comprises the following categories:

	Six months ended 30 April	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Salaries		
Allowances and benefits in kind	1,998	2,642
Pension scheme contributions	43	54
	2,041	2,696

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Prospects

The global macroeconomic landscape showed a complex development trend with a dynamic rebalancing of the international trading system, together with the slow recovery of the China's economy, demand for environmental-friendly products has become sluggish and the sales of the Group were inevitably affected. Under this backdrop, the Group's total revenue for the six months ended 30 April 2025 (the "Current Period") decreased by 18% from the six months ended 30 April 2024 (the "Last Period") HK\$51,389,000 to Current Period HK\$42,118,000.

The percentage of revenue contribution of our environment-friendly products business and water supply plant business accounted for 58% (six months ended 30 April 2024: 57%) and 42% (six months ended 30 April 2024: 43%) respectively of the Group's total revenue. The revenue of our environment-friendly products business decreased by 16% from the Last Period HK\$29,520,000 to the Current Period HK\$24,651,000 influenced by unfavorable sentiment in the industrial market of China. Simultaneously, our water supply plant business experienced a 19% reduction in revenue, from HK\$21,869,000 in the last period to HK\$17,661,000 currently. The reasons for this downturn include a reduction in the weighted average sale price of water, triggered by a drop in our industrial and commercial customer base as well as the depreciation of Renminbi, the Group's major sales currency.

The National Bureau of Statistics of the People's Republic of China recently announced that a manufacturing Purchasing Managers' Index of 49.5 in May 2025. This suggests a contraction in China manufacturers' purchasing. Although demand for low-end machinery and equipment declined, the national "Energy Conservation and Emission Reduction" policy signals potential growth opportunities as China shifts its focus towards high-quality domestic consumption under its "new normal" economic framework.

China's rapid development continues to pose environmental challenges, including water quality issues, waste management, air and noise pollution. In its pursuit of carbon neutrality, energy-efficient hydraulic machinery and components with advanced control functions are emerging as practical solutions for significant energy savings. These technologies are also applicable in clean energy sectors, positioning the Group's environment-friendly products business to capitalize on these opportunities.

The Group's environment-friendly products business remains dedicated to promoting sustainable development in China by focusing on energy-efficient hydraulic machinery and components. Leveraging its extensive industry expertise, the Group continues to source new products and services that align with China's energy conservation and emission reduction policies. Several products in this segment have already been utilized in marine machinery, clean energy, and hydro-engineering industries, including hydropower, wind energy, and wave energy facilities. With the global trend toward environmental consciousness, the Group remains optimistic about the long-term growth potential of this business segment.

In the water supply plant business, the Group wholly owns the Tianjin Water Supply Plant, which holds exclusive rights to supply processed water to designated areas in and around the Baodi District of Tianjin City, including Jing-Jin New City (the "Group's Water Supply Area"). The Tianjin Water Supply Plant is equipped with advanced monitoring facilities and a fully automated online system to ensure water quality and enable real-time detection and reporting of pipeline conditions. Any leaks or emergencies are promptly addressed to maintain uninterrupted service. The completion of the Beijing-Tangshan Intercity Railway and the Tianjin Binhai New Area Intercity Railway (collectively, the "New Intercity Railways") is expected to enhance economic integration and development in the Group's Water Supply Area. The established Baodi Nan railway station near the Tianjin Water Supply Plant is anticipated to improve connectivity and drive economic growth, positively influencing the Group's water supply operations.

Looking ahead, the Group remains cautiously optimistic about its future prospects. The environment-friendly products business will continue to source additional relevant products to align with the PRC's policies on energy conservation and emission reduction, advance technology development and support, collaborate with diverse suppliers to enhance products offerings as well as attend more trade fairs to strengthen its market presence. Similarly, the water supply plant business is expected to benefit from the anticipated economic developments in its operational region, supported by infrastructure improvements.

Financial Review

The Group's revenue for the Current Period decreased by 18% to HK\$42,312,000 compared with the Last Period (six months ended 30 April 2024: HK\$51,389,000). The revenue of our environment-friendly products business decreased by 16% from the Last Period HK\$29,520,000 to This Period HK\$24,651,000 due to poor industrial market sentiment. The revenue of our water supply plant business decreased by 19% from Last Period HK\$21,869,000 to this Period HK\$17,661,000 due to the drop in the weighted average selling price of water as result of decreasing proportion of industrial and commercial customers and the impact of the depreciation of revenue currency, Renminbi in the Current Period.

The Group's gross profit for the Current Period decreased by 22% to HK\$14,836,000 compared with the Last Period (six months ended 30 April 2024: HK\$19,007,000) due to the decrease in the Group's revenue and gross profit margin from 37% in the Last Period to 35% in the Current Period. This decrease in the Group's gross profit margin was primarily due to the lower weighted average water selling price in the Water Supply Plant business and the impact of the depreciation of revenue currency, Renminbi in the Current Period.

The Group's selling expenses for the Current Period, decreased by 40% to HK\$896,000, compared with the Last Period (six months ended 30 April 2024: HK\$1,483,000) due to decrease of the traveling expense. The Group's administrative expenses for the Current Period decreased by 3% to HK\$12,766,000, compared with that of the Last Period (six months ended 30 April 2024: HK\$13,132,000) due to decrease of staff and related cost.

As a result, the Group recorded a profit attributable to owners of the Company for the Current Period of HK\$179,000, (six months ended 30 April 2024: HK\$2,010,000), representing a decrease of approximately 91% as compared with corresponding period.

Liquidity and Finance Resources

During the period under the review, the Group financed its operations by internally generated cash flow, banking facilities provided by banks and loans from shareholders. As at 30 April 2025, the Group had net current assets of HK\$43,601,000 (31 October 2024: HK\$42,912,000) including bank balances and cash of approximately HK\$28,374,000 (31 October 2024: HK\$27,052,000). The current ratio, being the ratio of current assets to current liabilities, was approximately 1.93 as at 30 April 2025 (31 October 2024: 1.89). The Group's inventory turnover was about 119 days (31 October 2024: 91 days). The Group's accounts receivable turnover was about 126 days (31 October 2024: 123 days). The increase in inventory and account receivable turnover were due to decrease in the Group's revenue.

Capital Structure

The shares of the Company were listed on the GEM board of the Stock Exchange on 5 December 2001. Except for the share options under the pre-IPO share option scheme were exercised at the exercise price of HK\$0.01 per share, resulting in the issue of 96,740,000 ordinary shares of HK\$0.01 each for a total consideration of HK\$967,000 in November 2005, there has been no material change in the capital structure of the Company since that date. The capital of the Group comprises only ordinary shares.

Gearing ratio

The gearing ratio (define as the total borrowing over total equity, including minority interests) as at 30 April 2025 was 11% (31 October 2024: 12%).

Treasury policies

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirement.

Foreign Exchange Exposure

The Group's purchases are denominated in Japanese Yen, Sterling Pounds, Euro and US Dollars. The sales of the Group are predominantly in RMB and Hong Kong Dollars. The Group will review and monitor from time to time the risk relating to foreign exchanges.

Charge on Group assets and contingent liabilities

As at 30 April 2025, Group did not have any charge on assets and did not have any significant contingent liabilities as at 30 April 2025 (31 October 2024: Nil).

Information on Employees

As at 30 April 2025, the Group had 77 employees (2024: 82) working in Hong Kong and PRC. Employees are remunerated according to their performance and work experience. On top of basic salaries, discretionary bonus and share option may be granted to eligible staff by reference to the Group's performance as well as individual's performance. The total staff cost (including remuneration of the Directors and mandatory provident funds contributions) for the six months ended 30 April 2025 amounted to approximately HK\$8.0 million (for the six months ended 30 April 2024: HK\$8.9 million). The dedication and hard work of the Group's staff during the six months ended 30 April 2025 are generally appreciated and recognized.

Contingent liabilities

The Group had no material contingent liabilities at 30 April 2025 (31 October 2024: Nil).

Material acquisitions, disposal of subsidiaries and affiliated companies

During the six months ended 30 April 2025, the Group did not have any material acquisitions, disposals of subsidiaries and affiliated companies.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 April 2025, the interests and 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 corporations (within the meaning of Part XV of Securities and Futures Ordinance ("SFO")) which were 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 they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Aggregate long positions in ordinary shares and underlying shares of the Company

As at 30 April 2025, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares and debenture of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have 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 they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

So far as is known to the Directors or chief executives of the Company, as at 30 April 2025, the following persons (other than Directors or chief executives of the Company) had, or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions in ordinary shares of the Company

Name	Capacity and nature of interest	Number of ordinary shares held as at 30 April 2025	% to the Company's issued shares as at 30 April 2025
Lily Chiang (<i>Note 1</i>)	Founder of a discretionary trust	344,621,200	53.06
Virtue Trustees (Switzerland) AG (<i>Note 2</i>)	Through a unit trust and controlled corporation	344,621,200	53.06
Wide Sky Management Limited (<i>Note 2</i>)	Through a controlled corporation	344,621,200	53.06
Team Drive Limited (<i>Note 2</i>)	Directly beneficially owned	344,621,200	53.06
Dr. Pau Kwok Ping	Directly beneficially owned	44,224,000	6.81

Notes:

- Lily Chiang is the founder of the Lily Chiang Family Trust which indirectly holds 344,621,200 shares in the Company. Accordingly, Lily Chiang is deemed to be interested in such shares.
- 344,621,200 shares are directly and beneficially held by Team Drive Limited which is wholly-owned by Wide Sky Management Limited, of which the entire issued shares are held by Virtue Trustees (Switzerland) AG. Wide Sky Management Limited and Virtue Trustees (Switzerland) AG are deemed to be interested in all the shares held by Team Drive Limited.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased or sold any of the Company's listed securities during the six months ended 30 April 2025. The Company and its subsidiaries did not redeem any of its listed securities during the six months ended 30 April 2025.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a Code of Practice for Securities Transactions by Directors and Designated Employees on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of all Directors who have confirmed their compliance with required standard set out in the Securities Code during the six months ended 30 April 2025.

CORPORATE GOVERNANCE

The Company has complied with all the code provisions in the Corporate Governance Code and Corporate Governance Report (the “Code”) contained in the Appendix 15 of the GEM Listing Rules throughout the six months ended 30 April 2025.

COMPETITION AND CONFLICT OF INTEREST

None of the directors, the management shareholders or substantial shareholders of the Company or any of its respective associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, as defined in the GEM Listing Rules, or has any other conflict of interests with the Group during six months ended 30 April 2025.

REMUNERATION COMMITTEE

The Company established a remuneration committee in March 2005. The primary duties of the remuneration committee are to review and make recommendation for the remuneration policy of the directors and senior management. The chairman of the remuneration committee is Ms. CHAN Siu Ping Rosa and other members include Mr. CHAU Kam Wing Donald and Ms. WONG Ching Yan, all of them are independent non-executive directors of the Company.

NOMINATION COMMITTEE

The Company established a nomination committee in February 2006. The principal duties of the nomination committee are to formulate nomination policy and make recommendation to the Board on nomination and appointment of the directors and board succession. The chairman of the nomination committee is Mr. CHAU Kam Wing Donald and other members include Ms. CHAN Siu Ping Rosa and Ms. WONG Ching Yan, all of them are independent non-executive directors of the Company.

ENVIRONMENT, SOCIAL AND GOVERNANCE COMMITTEE

The Company established an environment, social and governance committee (“ESG Committee”) in January 2022. The principal duties of the ESG Committee are to advise and assist the Board of directors (the “Director(s)”) of in managing matters relating to environment, social and governance. The chairman of the ESG committee is Mr. WU Cheng-wei and other members include Mr. LEUNG Wai Lun, Mr. CHAU Kam Wing Donald, Ms. CHAN Siu Ping Rosa and Ms. WONG Ching Yan.

AUDIT COMMITTEE

The Company established an audit committee on 5 December 2001 with written terms of reference in compliance with Rules 5.28 and 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal controls system of the Group. The chairman of the audit committee is Mr. CHAU Kam Wing Donald and other members include Ms. CHAN Siu Ping Rosa and Ms. WONG Ching Yan, all of them are independent non-executive directors of the Company.

The Group’s unaudited results for the six months ended 30 April 2025 have been reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

By Order of the Board
Eco-Tek Holdings Limited
WU Cheng-wei
Chairman

Hong Kong, 27 June 2025

As at the date of this report, the Board of Directors comprises Mr. WU Cheng-wei and Mr. LEUNG Wai Lun and as executive directors; Dr. LUI Sun Wing as non-executive director; Ms. CHAN Siu Ping Rosa, Mr. CHAU Kam Wing Donald and Ms. Wong Ching Yan as independent non-executive directors.

This report will remain on the “Latest Listed Company Announcements” page of the GEM website for 7 days from the date of publication and on the Company’s website at www.eco-tek.com.hk.