



# **Yuxing InfoTech Investment Holdings Limited**

**裕興科技投資控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

*Stock Code: 8005*

## **2025**

### **INTERIM REPORT**



\* for identification purposes only

## CHARACTERISTICS OF 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 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 of the Stock Exchange 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 “Director(s)”) of Yuxing InfoTech Investment 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 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 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.*

## HIGHLIGHTS FOR THE SIX-MONTH PERIOD

- For the six months ended 30 June 2025, revenue of the Group was HK\$45.0 million, representing a decrease of 62.8% as compared with the same period of the last fiscal year. The Group recorded the gross profit of HK\$16.5 million for the six months ended 30 June 2025 (30 June 2024: HK\$37.7 million).
- Loss attributable to owners of the Company for the six months ended 30 June 2025 amounted to HK\$30.0 million (30 June 2024: profit of HK\$53.2 million).
- Basic loss per share for the six months ended 30 June 2025 was HK1.21 cents (30 June 2024: basic earnings per share of HK2.14 cents).
- Total equity attributable to owners of the Company as at 30 June 2025 was HK\$1,611.0 million (31 December 2024: HK\$1,639.0 million) or net assets per share of HK\$0.65 (31 December 2024: HK\$0.66).
- The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (30 June 2024: Nil).

## INTERIM RESULTS

The board of Directors of the Company (the "Board") is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2025 together with the comparative figures for the same periods in 2024, prepared in accordance with generally accepted accounting principles in Hong Kong, as follows:

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

		Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
	Note		
Revenue	5	44,974	120,737
Cost of sales		(28,428)	(83,080)
Gross profit		16,546	37,657
Other revenue and net income	5	11,680	76,863
Distribution and selling expenses		(959)	(2,873)
General and administrative expenses		(48,756)	(50,833)
Other operating expenses		(1,058)	(8,072)
Net changes in fair value of investment properties		(5,738)	574
(Loss)/Profit from operations		(28,285)	53,316
Finance costs	6	(171)	(288)
Share of results of associates		(1,438)	(387)
(Loss)/Profit before tax	7	(29,894)	52,641
Income tax expenses	8	(176)	(152)
(Loss)/Profit for the period		(30,070)	52,489
<b>(Loss)/Profit attributable to:</b>			
Owners of the Company		(29,992)	53,157
Non-controlling interests		(78)	(668)
		(30,070)	52,489
(Loss)/Earnings per share	10		
– Basic		(1.21) cents	2.14 cents
– Diluted		(1.21) cents	2.14 cents

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
(Loss)/Profit for the period	(30,070)	52,489
Other comprehensive income/(loss):		
Items that are reclassified or may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	2,021	(1,694)
Total other comprehensive income/(loss) for the period	2,021	(1,694)
Total comprehensive (loss)/income for the period	(28,049)	50,795
<b>Total comprehensive (loss)/income attributable to:</b>		
Owners of the Company	(27,971)	51,463
Non-controlling interests	(78)	(668)
	(28,049)	50,795



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Note			
<b>NON-CURRENT ASSETS</b>			
	Investment properties	11 129,375	133,132
	Property, plant and equipment	64,334	63,255
	Right-of-use assets	72,436	74,408
	Interests in associates	14,534	10,779
	Deposits paid	12 6,940	7,454
	Prepayments for construction	12 16,335	12,626
	Financial assets at fair value through profit or loss	13 215,721	215,085
		<u>519,675</u>	<u>516,739</u>
<b>CURRENT ASSETS</b>			
	Cryptocurrencies	15 102,126	140,539
	Inventories	7,659	6,083
	Loans receivable	16 29,179	29,081
	Trade and other receivables	12 384,907	372,209
	Financial assets at fair value through profit or loss	13 7,732	1,503
	Income tax recoverable	554	547
	Pledged bank deposits	200	200
	Cash and bank balances	18,312	34,809
		<u>550,669</u>	<u>584,971</u>
	Assets classified as held-for-sale	17 850,200	850,200
		<u>1,400,869</u>	<u>1,435,171</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2025	31 December 2024
	Note	HK\$'000 (Unaudited)	HK\$'000 (Audited)
<b>CURRENT LIABILITIES</b>			
Trade and other payables	18	262,008	265,164
Dividend payables		31	31
Bank and other loans	19	2,916	2,952
Lease liabilities		2,456	2,261
		<u>267,411</u>	<u>270,408</u>
<b>NET CURRENT ASSETS</b>		<u>1,133,458</u>	<u>1,164,763</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,653,133</u>	<u>1,681,502</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		31,672	31,436
Income tax payable		6,192	6,192
Lease liabilities		7,899	8,455
		<u>45,763</u>	<u>46,083</u>
<b>NET ASSETS</b>		<u>1,607,370</u>	<u>1,635,419</u>
<b>EQUITY</b>			
Share capital	20	62,193	62,193
Reserves		1,548,848	1,576,819
Equity attributable to owners of the Company		1,611,041	1,639,012
Non-controlling interests		(3,671)	(3,593)
<b>TOTAL EQUITY</b>		<u>1,607,370</u>	<u>1,635,419</u>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Attributable to owners of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Statutory reserves HK\$'000	Contributed surplus HK\$'000	Property revaluation reserves HK\$'000	Translation reserves HK\$'000	Other reserves HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
As at 1 January 2025	62,193	280,057	8,668	234,621	84,992	4,894	2,920	960,667	1,639,012	(3,593)	1,635,419
Loss for the period	-	-	-	-	-	-	-	(29,992)	(29,992)	(78)	(30,070)
Other comprehensive income:											
Exchange differences arising on translation of foreign operations	-	-	-	-	-	2,021	-	-	2,021	-	2,021
Total other comprehensive income	-	-	-	-	-	2,021	-	-	2,021	-	2,021
Total comprehensive loss for the period	-	-	-	-	-	2,021	-	(29,992)	(27,971)	(78)	(28,049)
As at 30 June 2025	62,193	280,057	8,668	234,621	84,992	6,915	2,920	930,675	1,611,041	(3,671)	1,607,370



## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Attributable to owners of the Company							Non-controlling interests HK\$ '000	Total equity HK\$ '000
	Share capital HK\$ '000	Share premium HK\$ '000	Statutory reserves HK\$ '000	Contributed surplus HK\$ '000	Property revaluation reserves HK\$ '000	Translation reserves HK\$ '000	Other reserves HK\$ '000		
As at 1 January 2024	62,193	280,057	8,668	234,621	84,992	8,333	4,203	(4,826)	1,700,878
<b>Profit for the period</b>	-	-	-	-	-	-	-	(668)	52,489
<b>Other comprehensive loss:</b> Exchange differences arising on translation of foreign operations	-	-	-	-	-	(1,694)	-	-	(1,694)
<b>Total other comprehensive loss</b>	-	-	-	-	-	(1,694)	-	-	(1,694)
<b>Total comprehensive income for the period</b>	-	-	-	-	-	(1,694)	-	(668)	50,795
<b>Transactions with owners:</b> <i>Change in ownership interest</i> Acquisition of non-controlling interests without a change in control (note 22)	-	-	-	-	-	-	-	(4)	(4)
<b>Total transactions with owners</b>	-	-	-	-	-	-	-	(4)	(4)
As at 30 June 2024	62,193	280,057	8,668	234,621	84,992	6,639	4,203	(5,498)	1,751,669

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
<b>OPERATING ACTIVITIES</b>		
Cash generated from/(used in) operations	715	(22,499)
Income tax paid, net	(176)	(152)
<b>Net cash from/(used in) operating activities</b>	<b>539</b>	<b>(22,651)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(7,018)	(8,664)
Purchase of investment properties	–	(305)
Proceed from disposal of property, plant and equipment	276	–
Acquisition of interests in associates	(5,044)	–
(Increase)/Decrease in prepayment for construction	(3,709)	639
Interest received	268	1,477
Grant of new loans receivable	(7,493)	–
Repayment of loans receivable	7,518	–
Dividend received	–	7
<b>Net cash used in investing activities</b>	<b>(15,202)</b>	<b>(6,846)</b>
<b>FINANCING ACTIVITIES</b>		
Principal elements of lease payments	(1,348)	(1,487)
Repayment of bank loans	–	(237)
Interest paid	(171)	(288)
<b>Net cash used in financing activities</b>	<b>(1,519)</b>	<b>(2,012)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(16,182)</b>	<b>(31,509)</b>
<b>Cash and cash equivalents at beginning of reporting period</b>	<b>35,009</b>	<b>81,877</b>
Effect of foreign exchange rate changes	(315)	(84)
<b>Cash and cash equivalents at end of reporting period</b>	<b>18,512</b>	<b>50,284</b>
Analysis of the balances of cash and cash equivalents:		
– Funds held by securities brokers	93	–
– Cash at bank and in hand	18,219	50,084
– Pledged bank deposits with maturity less than three months	200	200
	<b>18,512</b>	<b>50,284</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

Yuxing InfoTech Investment Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business in Hong Kong is Unit 5–6, 9/F, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

The principal activity of the Company is investment holding. The Company’s subsidiaries are principally engaged in the businesses of information home appliances (“IHA”), internet data centre (“IDC”), investing and leasing.

## 2. BASIS OF PREPARATION

The Group’s unaudited condensed consolidated interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure provisions of the GEM Listing Rules. These condensed consolidated interim financial statements are unaudited but have been reviewed by the Company’s audit committee.

These unaudited condensed consolidated interim 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. They have been prepared on the historical cost basis, except for investment properties and financial assets at fair value through profit or loss (“FVPL”), which are measured at fair value.

The accounting policies used in preparing these unaudited condensed consolidated interim financial statements are consistent with those used in the Group’s audited consolidated financial statements for the year ended 31 December 2024, except for the adoption of the new/revised Hong Kong Financial Reporting Standards (“HKFRSs”) and HKASs which are relevant to the Group’s operation and are effective for the Group’s financial year beginning on 1 January 2025 as described below.

Amendments to HKAS 21

Lack of Exchangeability

The adoption of these amendments to HKASs and HKFRSs did not result in substantial changes to the Group’s accounting policies and amounts reported for the current and prior periods.

### 3. FAIR VALUE MEASUREMENTS

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair Value Measurement*. The level into which a fair value measurement classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3 (lowest level): unobservable inputs for the assets or liabilities.

The Group engages independent professional qualified valuers to perform valuations of certain financial instruments, including financial assets at fair value through profit or loss categorised into Level 3 of the fair value hierarchy. The professional valuers prepare valuation reports with analyses of changes in fair value measurement at each reporting date. The valuations are reviewed and approved by the Directors. The valuation process and results are discussed with the audit committee twice a year to coincide with the reporting dates.

*Financial assets measured at fair value on a recurring basis*

	As at 30 June 2025			
	Carrying Amount HK\$'000	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000
<b>Financial assets at fair value through profit or loss</b>				
Listed equity securities	26,752	26,752	—	—
– Hong Kong	493	493	—	—
– Outside Hong Kong	4,134	4,134	—	—
Money market funds	1,849	—	1,849	—
Private investment fund	190,225	—	25,487	164,738
Unlisted equity securities				

### 3. FAIR VALUE MEASUREMENTS (Continued)

*Financial assets measured at fair value on a recurring basis (Continued)*

	As at 31 December 2024			
	Carrying Amount HK\$'000	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000
<b>Financial assets at fair value through profit or loss</b>				
Listed equity securities				
– Hong Kong	25,716	25,716	–	–
– Outside Hong Kong	418	418	–	–
Unlisted equity securities	<u>190,454</u>	<u>–</u>	<u>23,522</u>	<u>166,932</u>

During the six months ended 30 June 2025 and 2024, there was no transfer between Level 1 and Level 2, or transfer into or out of Level 3 fair value measurements.

*Valuation techniques and inputs in Level 2 fair value measurement*

(a) *Financial assets at fair value through profit or loss: Private investment fund*

As at 30 June 2025, the fair value of a private investment fund of HK\$1,849,000 (31 December 2024: Nil) was valued based on the net asset value of each fund unit quoted by the investment manager.

(b) *Financial assets at fair value through profit or loss: Unlisted equity securities*

Included in financial assets at fair value through profit or loss are unlisted equity securities of HK\$25,487,000 (31 December 2024: HK\$23,522,000) traded in the Over-the-Counter market in the United States. The fair value of the unlisted equity securities is determined with the broker quotes.

*Movements in Level 3 fair value measurements*

The details of the movements of the recurring fair value measurements categorised as Level 3 for the six months ended 30 June 2025 and 2024 are shown as follows:

	<b>Financial assets at fair value through profit or loss</b>	
	<b>30 June 2025</b>	<b>30 June 2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
At beginning of the reporting period	166,932	121,528
Net changes in fair value recognised in profit or loss	<u>(2,194)</u>	<u>18,606</u>
<b>At end of the reporting period</b>	<b><u>164,738</u></b>	<b><u>140,134</u></b>

### 3. FAIR VALUE MEASUREMENTS (Continued)

Valuation techniques and inputs in Level 3 fair value measurement

As at 30 June 2025

Description	Fair value HK\$'000	Valuation techniques	Unobservable inputs	Range	Increase/ (Decrease) in unobservable inputs	Favourable/ (Unfavourable) impact on profit or loss HK\$'000
<i>Financial assets at fair value through profit or loss</i>						
- Unlisted equity securities	75,717	Market comparable companies	Enterprise-value-to-revenue ratio	11.029	10% (10%)	14,231 (14,231)
	2,394	Income approach	Discount rate	22.1%	10% (10%)	(559) 735
	86,627	Income approach	Discount rate	20.2%	10% (10%)	(29,978) 39,924

As at 31 December 2024

Description	Fair value HK\$'000	Valuation techniques	Unobservable inputs	Range	Increase/ (Decrease) in unobservable inputs	Favourable/ (Unfavourable) impact on profit or loss HK\$'000
<i>Financial assets at fair value through profit or loss</i>						
- Unlisted equity securities	77,911	Market comparable companies	Enterprise-value-to-revenue ratio	11.211	10% (10%)	14,503 (14,503)
	2,394	Income approach	Discount rate	22.1%	10% (10%)	(559) 735
	86,627	Income approach	Discount rate	20.2%	10% (10%)	(29,978) 39,924



#### 4. SEGMENT INFORMATION

Information reported to executive Directors and chief executive officer of the Company, being the chief operating decision-makers ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

The Group's reportable segments under HKFRS 8 are as follows:

- IHA: Sales and distribution of IHA and complementary products and provision of ancillary services
- IDC: Development, construction, operation, mergers, acquisitions and leasing out of properties used as IDC and facilities used in IDC
- Investing: Investing in digital assets and financial instruments
- Leasing: Leasing out of properties

Other operations segment of the Group mainly consists of trading of miscellaneous goods and provision of distribution storage services.

For the purpose of assessing the performance of the operating segments and allocating resources between segments, the executive Directors assess segment profit or loss before tax without allocation of interest income from bank deposits, unallocated other income and administrative expenses, finance costs and share of results of associates and the basis of preparing such information is consistent with that of the unaudited condensed consolidated interim financial statements.

The CODM make decisions according to the operating results of such segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Inter-segment sales transactions are charged at prevailing market rates.

#### 4. SEGMENT INFORMATION (Continued)

##### Segment revenue and results

The following is an analysis of the Group's segment revenue and segment results by the reportable segments:

For the six months ended 30 June 2025:

	IHA HK\$'000	IDC HK\$'000	Investing HK\$'000	Leasing HK\$'000	Other operations HK\$'000	Elimination HK\$'000	Consolidated HK\$'000
REVENUE	31,860	13,114	-	-	-	-	44,974
OTHER REVENUE AND NET INCOME/(LOSS)	482	-	3,424	6,702	-	(6)	10,602
NET CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES	-	-	-	(5,738)	-	-	(5,738)
Segment revenue	<u>32,342</u>	<u>13,114</u>	<u>3,424</u>	<u>964</u>	<u>-</u>	<u>(6)</u>	<u>49,838</u>
RESULTS							
Segment results	<u>4,133</u>	<u>(250)</u>	<u>3,009</u>	<u>(1,870)</u>	<u>(12,308)</u>	<u>-</u>	<u>(7,286)</u>
Unallocated net income							992
Interest income from bank deposits							86
Other unallocated corporate expenses							<u>(22,077)</u>
Loss from operations							(28,285)
Finance costs							(171)
Share of results of associates							<u>(1,438)</u>
Loss before tax							(29,894)
Income tax expenses							<u>(176)</u>
Loss for the period							<u>(30,070)</u>

#### 4. SEGMENT INFORMATION (Continued)

For the six months ended 30 June 2024:

	IHA HK\$'000	IDC HK\$'000	Investing HK\$'000	Leasing HK\$'000	Other operations HK\$'000	Elimination HK\$'000	Consolidated HK\$'000
<b>REVENUE</b>	93,337	27,400	-	-	-	-	120,737
<b>OTHER REVENUE AND NET INCOME/(LOSS)</b>	54	-	66,528	8,689	-	(13)	75,258
<b>NET CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES</b>	-	-	-	574	-	-	574
Segment revenue	<u>93,391</u>	<u>27,400</u>	<u>66,528</u>	<u>9,263</u>	<u>-</u>	<u>(13)</u>	<u>196,569</u>
<b>RESULTS</b>							
Segment results	<u>5,083</u>	<u>13,280</u>	<u>57,595</u>	<u>6,152</u>	<u>(6,820)</u>	<u>-</u>	75,290
Unallocated net income							1,225
Interest income from bank deposits							380
Other unallocated corporate expenses							<u>(23,579)</u>
Profit from operations							53,316
Finance costs							(288)
Share of results of associates							<u>(387)</u>
Profit before tax							52,641
Income tax expenses							<u>(152)</u>
Profit for the period							<u>52,489</u>

#### 4. SEGMENT INFORMATION (Continued)

##### *Geographical information*

The Group operates in the following principal geographical areas: the People's Republic of China ("the PRC"), Hong Kong, Australia, the United States and other overseas markets.

The following table sets out information about the geographical location of (a) the Group's revenue; and (b) other revenue and net income other than unallocated net income and interest income from bank deposits. The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of other revenue and net income is based on the location at which other revenue and net income is generated.

##### *(a) Revenue*

	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Australia	19,643	63,338
The United States	3,314	17,400
The PRC	7,940	19,557
Hong Kong	10,534	13,652
Other overseas markets	3,543	6,790
	<u>44,974</u>	<u>120,737</u>

#### 4. SEGMENT INFORMATION (Continued)

##### Geographical information (Continued)

##### (b) Other revenue and net income

	Six months ended 30 June 2025			
	IHA HK\$'000	Investing HK\$'000	Leasing HK\$'000	Consolidated HK\$'000
Hong Kong	33	3,424	51	3,508
The PRC	449	–	6,568	7,017
Other overseas markets	–	–	77	77
	<u>482</u>	<u>3,424</u>	<u>6,696</u>	<u>10,602</u>

	Six months ended 30 June 2024			
	IHA HK\$'000	Investing HK\$'000	Leasing HK\$'000	Consolidated HK\$'000
Hong Kong	616	66,528	4	67,148
The PRC	(562)	–	8,672	8,110
	<u>54</u>	<u>66,528</u>	<u>8,676</u>	<u>75,258</u>

## 5. REVENUE, OTHER REVENUE AND NET INCOME

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
<b>Revenue</b>		
<i>Revenue recognised at a point in time under HKFRS 15:</i>		
<b>IHA:</b>		
Sale of goods	26,539	87,211
Ancillary service income	5,321	6,126
<b>IDC:</b>		
Rental income from IDC properties and facilities	13,114	27,400
	<u>44,974</u>	<u>120,737</u>
<b>Other revenue</b>		
Dividend income from listed securities	—	7
Rental income from investment properties	6,508	8,431
Interest income calculated using the effective interest method:		
Interest income from bank deposits	86	380
Interest income from loans receivable	305	1,097
	<u>6,899</u>	<u>9,915</u>
<b>Other net income</b>		
Foreign exchange gains, net	498	58
Net fair value gains on financial assets at fair value through profit or loss	1,177	11,574
Gain on disposal of property, plant and equipment	273	1,114
Gain on utilisation of cryptocurrencies	—	6
Gain on disposal of cryptocurrencies	2,253	53,855
Consultancy income	322	—
Sundry income	258	341
	<u>4,781</u>	<u>66,948</u>
	<u>11,680</u>	<u>76,863</u>



## 6. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Borrowing costs for bank and other loans	13	213
Imputed interest expenses on lease liabilities	158	75
	<u>171</u>	<u>288</u>

## 7. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax has been arrived at after charging/(crediting) the following items:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Reversal of write-down of inventories, net	(116)	(388)
Depreciation of right-of-use assets	3,070	3,142
Depreciation of property, plant and equipment (Note)	6,032	23,075
– Allocated to cost of cryptocurrencies	–	(10,402)
	<u>–</u>	<u>–</u>

Note:

Depreciation of property, plant and equipment for the six months ended 30 June 2025 included depreciation of IDC facilities of HK\$4,790,000 (30 June 2024: HK\$4,790,000) recognised as cost of sales for the period.

8. INCOME TAX EXPENSES

The taxation charged to profit or loss represents:

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
<b>Current tax expenses</b>		
PRC corporate income tax	176	152

No Hong Kong Profits Tax has been provided for the six months ended 30 June 2025 and 2024 as the Group did not have any assessable profit from Hong Kong for both periods.

The income tax provision in respect of operations in the PRC is calculated at the corporate income tax ("CIT") rate of 25% on the estimated assessable profits for the six months ended 30 June 2025 and 2024 based on existing legislation, interpretations and practices in respect thereof. Certain subsidiaries of the Company have been designated as "Small-Scale and Low-Profit Enterprises" which are charged at the effective preferential CIT rates of 5% (30 June 2024: 5%) on condition that the annual taxable income was no more than RMB1.0 million or between RMB1.0 million to RMB3.0 million for the six months ended 30 June 2025.

The operation of the Group in the United States is subject to the United States Federal and State Income Tax. For the six months ended 30 June 2025 and 2024, the United States Federal and State Income Tax has not been provided as the Group did not generate any assessable profit in the United States.

Under the United States domestic tax laws, a foreign person is subject to 30% income tax on the gross amount of certain United States-source (non-business) income. Withholding tax has not been provided for the six months ended 30 June 2025 and 2024 because no interest income was charged to the subsidiary during both periods.

The operation of the Group in Germany is subject to the Germany Corporate Tax and Municipal Trade Tax. For the six months ended 30 June 2025 and 2024, the Germany Corporate Tax and Municipal Trade Tax has not been provided as the Group did not generate any assessable profit in Germany.

## 9. DIVIDENDS

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

## 10. (LOSS)/EARNINGS PER SHARE

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

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
(Loss)/Profit attributable to owners of the Company	<u>(29,992)</u>	<u>53,157</u>
	'000	'000
Issued ordinary shares at 1 January and 30 June	<u>2,487,705</u>	<u>2,487,705</u>
Weighted average number of ordinary shares for basic (loss)/earnings per share	<u>2,487,705</u>	<u>2,487,705</u>
Weighted average number of ordinary shares for diluted (loss)/earnings per share	<u>2,487,705</u>	<u>2,487,705</u>
(Loss)/Earnings per share:		
– Basic	<u>(1.21) cents</u>	<u>2.14 cents</u>
– Diluted (Note)	<u>(1.21) cents</u>	<u>2.14 cents</u>

*Note:*

Diluted (loss)/earnings per share was the same as the basic (loss)/earnings per share as there were no dilutive potential ordinary shares in existence during the six months ended 30 June 2025 and 2024.

## 11. INVESTMENT PROPERTIES

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
At beginning of the reporting period	133,132	131,870
Additions	—	1,273
Net changes in fair value	(5,738)	2,850
Exchange realignment	1,981	(2,861)
<b>At end of the reporting period</b>	<b>129,375</b>	<b>133,132</b>

## 12. TRADE AND OTHER RECEIVABLES AND PREPAYMENT FOR CONSTRUCTION

	Note	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Trade receivables		67,012	63,992
Less: Loss allowance		(23,020)	(23,020)
	(a)	43,992	40,972
Receivables from disposal of a subsidiary		257	257
Earnest money paid for acquisition of intangible assets	(b)	62,500	61,555
Other receivables, net of loss allowance		21,405	10,171
Prepayments and deposits, net of loss allowance	(c)	263,693	266,708
Prepayment for construction	(d)	16,335	12,626
		408,182	392,289
Current portion		384,907	372,209
Non-current portion		23,275	20,080
		408,182	392,289

## 12. TRADE AND OTHER RECEIVABLES AND PREPAYMENT FOR CONSTRUCTION (Continued)

Notes:

- (a) The ageing analysis of trade receivables (net of loss allowance) by invoice date at the end of the reporting period is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
0-30 days	10,482	5,019
31-60 days	3,293	5,166
61-90 days	2,181	4,179
Over 90 days	28,036	26,608
	<u>43,992</u>	<u>40,972</u>

- (b) Earnest money of RMB57,000,000 (equivalent to HK\$62,500,000) (31 December 2024: RMB57,000,000 (equivalent to HK\$61,555,000)) was paid for the procurement of hash-rate capacity which was recognised as intangible assets of the Group in prior years. The earnest money will be refunded to the Group upon settlement of the remaining outstanding payables for the procurement of hash-rate capacity (note 18(b)(i)).

- (c) Included in prepayments and deposits, net of loss allowance are the following balances:

- (i) Trading deposits of a total sum of RMB190,082,000 (equivalent to HK\$208,423,000) (31 December 2024: RMB190,082,000 (equivalent to HK\$205,272,000)) were paid to Zhongda Bocheng Energy Technology (Shenzhen) Limited\* (中達博誠能源科技(深圳)有限公司) ("Zhongda Bocheng"), an independent third party for the purchase of cryptocurrency mining machines which will be held for trading purpose. On the other hand, RMB110,000,000 (equivalent to HK\$120,614,000) (31 December 2024: RMB110,000,000 (equivalent to HK\$118,790,000)) were received from Zhongda Bocheng as a performance bond, which is not available to set-off against the trading deposits aforesaid and recognised as other payables (note 18(b)(ii)). The Group partially terminated the purchase of cryptocurrency mining machines and the trading deposits of RMB49,977,000 (equivalent to HK\$54,799,000) will be refunded to the Group before 31 December 2025 in accordance with the termination agreement signed with Zhongda Bocheng. For the remaining prepayments of RMB140,105,000 (equivalent to HK\$153,624,000), the Group and Zhongda Bocheng entered into an extension agreement to extend the delivery of the cryptocurrency machines to December 2025.

\* For identification purposes only

## 12. TRADE AND OTHER RECEIVABLES AND PREPAYMENT FOR CONSTRUCTION (Continued)

Notes: (Continued)

(c) (Continued)

(ii) Earnest money of an aggregate of US\$3,200,000 (equivalent to HK\$24,960,000) (31 December 2024: US\$3,200,000 (equivalent to HK\$24,960,000)) was paid to an independent third party (the "Vendor") for a global sale project under a corporation agreement (the "Agreement"). The interest of a wholly-owned subsidiary of the Vendor was charged as collateral of such earnest money. The Group had notified the Vendor for termination of the Agreement and is in negotiation with the Vendor in the refund of such earnest money in prior years. The Group had issued force enforcement notices to the Vendor during the year ended 31 December 2024 and the reporting period.

(d) Included in prepayment for construction were prepayments mainly made for data centre facilities amounting to US\$1,205,000 (equivalent to HK\$9,400,000) (31 December 2024: US\$1,205,000 (equivalent to HK\$9,400,000)).

## 13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Equity securities listed in Hong Kong	(a)	26,752	25,716
Equity securities listed outside Hong Kong	(a)	493	418
Money market funds	(a)	4,134	—
Private investment fund	(b)	1,849	—
Unlisted equity securities	(c)	190,225	190,454
		<u>223,453</u>	<u>216,588</u>
Current portion		7,732	1,503
Non-current portion		<u>215,721</u>	<u>215,085</u>
		<u>223,453</u>	<u>216,588</u>



### 13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(Continued)*

*Notes:*

- (a) The fair values of listed equity securities and money market funds are based on quoted market prices in active markets at the end of the reporting period.
- (b) As at 30 June 2025, the fair value of the private investment fund of HK\$1,849,000 (31 December 2024: Nil) was valued based on the net asset value of each fund unit quoted by the investment manager.

The valuation techniques and inputs applied for fair value measurement have been disclosed in note 3.

- (c) The investments in unlisted equity securities of companies incorporated in the Cayman Islands and Hong Kong of HK\$164,738,000 (31 December 2024: HK\$166,932,000) are not held for trading.

The fair value of the unlisted equity securities of HK\$25,487,000 (31 December 2024: HK\$23,522,000) traded in the Over-the-Counter market in the United States is determined with the broker quotes.

The valuation techniques and inputs applied for fair value measurement have been disclosed in note 3.

#### 14. INVESTMENT PORTFOLIO

The Group's ten largest investments, including individual investments with value exceeding 5% of the Group's total assets, as at 30 June 2025 and 31 December 2024 with brief description of the investee companies are as follows:

As at 30 June 2025

Stock code	Name of investee company	Note	Number of shares held	Effective shareholding interest	Acquisition cost HK\$'000	Fair value HK\$'000	Accumulated unrealised holding gain/(loss) arising on revaluation from the date of acquisition to 30 June 2025 HK\$'000	Net gain/(loss) for the six months ended 30 June 2025 HK\$'000	Dividend received for the six months ended 30 June 2025 HK\$'000	Classification of financial assets
<b>Listed equity securities</b>										
0641	CHIC Fund's International Company Limited	(a)	1,176,000	0.11%	2,629	353	(2,276)	12	-	FVPL
8137	Honbridge Holdings Limited	(d)	43,212,000	0.44%	58,395	23,496	(32,899)	865	-	FVPL
9988	Alibaba Group Holdings Limited	(e)	7,500	*	713	824	111	206	-	FVPL
LU	Lufax Holding Ltd (American depositary shares)	(f)	22,500	*	9,427	493	(8,934)	75	-	FVPL
<b>Money market funds</b>										
	Industrial and Commercial Bank of China Limited	(g)	N/A	N/A	4,134	4,134	-	-	-	FVPL
<b>Private investment fund</b>										
	GoldenFuture Capital Investment Ltd.	(h)	N/A	N/A	1,560	1,849	289	289	-	FVPL
<b>Unlisted equity securities</b>										
DIDY	APAL Holdings Limited	(i)	100,000,000	9.47%	78,000	75,717	(2,283)	(2,194)	-	FVPL
	DIGI Global Inc. (American depositary shares)	(j)	662,600	0.01%	12,729	25,487	12,758	1,965	-	FVPL
	HK Zouid Limited	(k)	-	10%	11,800	2,394	(9,406)	-	-	FVPL
	Profound View Group	(l)	1,199	10.71%	66,000	86,627	20,627	-	-	FVPL

The above investments represented in aggregate over 99% in value of the Group's investments. Apart from the ten largest investments listed above, the Group also held various other individual investments with value representing below 1% of the Group's total assets as at 30 June 2025.

\* The effective shareholding interest is below 0.01%.

**14. INVESTMENT PORTFOLIO (Continued)**

As at 31 December 2024

Stock code	Name of investee company	Note	Number of shares held	Effective shareholding interest	Acquisition cost HK\$'000	Fair value HK\$'000	Accumulated unrealised holding gain/(loss) arising on revaluation from the date of acquisition to 31 December 2024 HK\$'000	Net gain/(loss) for the year ended 31 December 2024 HK\$'000	Dividend received for the year ended 31 December 2024 HK\$'000	Classification of financial assets
<b>Listed equity securities</b>										
0641	CHTC Fong's International Company Limited	(a)	1,176,000	0.11%	2,629	341	(2,288)	50	-	FVPL
0707	Asia Television Holdings Limited	(b)	2,106,000	0.19%	559	21	(539)	(29)	-	FVPL
1918	Sunac China Holdings Limited	(c)	250,000	*	469	105	(364)	37	-	FVPL
8137	Honbridge Holdings Limited	(d)	43,212,000	0.44%	58,395	24,631	(33,764)	9,074	-	FVPL
9988	Alibaba Group Holdings Limited	(e)	7,500	*	713	618	(95)	50	19	FVPL
LU	Lufax Holding Ltd (American depositary shares)	(f)	22,500	*	9,427	418	(9,009)	121	425	FVPL
<b>Unlisted equity securities</b>										
DDIY	DDI Global Inc (American depositary shares)	(g)	100,000,000	9.47%	78,000	77,911	(89)	28,161	-	FVPL
	HK Zouid Limited	(h)	662,600	0.01%	12,729	23,522	10,793	3,085	-	FVPL
	Profound View Group	(i)	-	10%	11,800	2,394	(9,406)	(5,143)	-	FVPL
			1,199	10.71%	66,000	86,627	20,627	4,386	-	FVPL

The above investments represented in aggregate over 99% in value of the Group's investments. Apart from the ten largest investments listed above, the Group also held various other individual investments with value representing below 1% of the Group's total assets as at 31 December 2024.

\* The effective shareholding interest is below 0.01%.

#### 14. INVESTMENT PORTFOLIO (Continued)

*Notes:*

- (a) CHTC Fong's International Company Limited ("CHTC") was incorporated in Bermuda with limited liability, and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 0641). CHTC is principally engaged in manufacture and sale of dyeing and finishing machines, manufacture and sale of stainless-steel casting products and trading of stainless-steel supplies. For the year ended 31 December 2024, the audited consolidated loss attributable to owners of CHTC was HK\$118,420,000 (30 June 2024: HK\$44,989,000 (unaudited)) with basic and diluted loss per share of HK10.76 cents (30 June 2024: HK4.09 cents). As at 31 December 2024, its audited consolidated total equity attributable to the owners was HK\$1,043,706,000 (30 June 2024: HK\$1,134,048,000 (unaudited)).
- (b) Asia Television Holdings Limited ("ATV") was incorporated in the Cayman Islands with limited liability, and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 0707). ATV is principally engaged in (i) processing, printing and sales of finished fabrics and subcontracting services and the trading of fabric and clothing business; (ii) money lending business; (iii) securities investment and brokerage services business; and (iv) media, cultural and entertainment business. For the year ended 31 December 2024, the audited consolidated loss attributable to owners of ATV was RMB120,100,000 (30 June 2024: RMB34,874,000 (unaudited)) with basic and diluted loss per share of RMB8.79 cents (30 June 2024: RMB3.19 cents). As at 31 December 2024, its audited consolidated total equity attributable to the owners was RMB429,964,000 (30 June 2024: RMB442,798,000 (unaudited)).
- (c) Sunac China Holdings Limited ("Sunac") was incorporated in the Cayman Islands with limited liability, and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 1918). Sunac is principally engaged in property development and investment, cultural and tourism city construction and operation, property management services and other services in the PRC. For the year ended 31 December 2024, the audited consolidated loss attributable to owners of Sunac was RMB25,695,200,000 (30 June 2024: RMB14,957,186,000 (unaudited)) with basic and diluted loss per share of RMB3.00 (30 June 2024: RMB1.79). As at 31 December 2024, its audited consolidated total equity attributable to the owners was RMB40,521,108,000 (30 June 2024: RMB47,962,851,000 (unaudited)).

## 14. INVESTMENT PORTFOLIO (Continued)

Notes: (Continued)

- (d) Honbridge Holdings Limited (“Honbridge”) was incorporated in the Cayman Islands as an exempted company with limited liability, and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 8137). Honbridge is principally engaged in the exploration of mineral resources and the production of lithium batteries. For the year ended 31 December 2024, the audited consolidated loss attributable to owners of Honbridge was HK\$412,879,000 (30 June 2024: HK\$42,484,000 (unaudited)) with basic and diluted loss per share of HK4.23 cents (30 June 2024: HK0.44 cent). As at 31 December 2024, its audited consolidated total equity attributable to the owners was HK\$3,559,289,000 (30 June 2024: HK\$4,290,627,000 (unaudited)).
- (e) Alibaba Group Holding Limited (“Alibaba”) was incorporated in the Cayman Islands with limited liability, and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 9988). Alibaba is principally engaged in providing e-commerce and technology infrastructure services to merchants, brands, retailers, and businesses to market, sell, and operate using the Internet. For the year ended 31 March 2025, the audited consolidated profit attributable to owners of Alibaba was RMB129,470,000,000 (30 September 2024: RMB68,143,000,000 (unaudited)) with basic and diluted earnings per share of RMB6.89 and RMB6.70 (30 September 2024: RMB3.58 and RMB3.50) respectively. As at 31 March 2025, its audited consolidated total equity attributable to the owners was RMB1,009,858,000,000 (30 September 2024: RMB953,925,000,000 (unaudited)).
- (f) Lufax Holding Ltd (“Lufax”) was incorporated in the Cayman Islands with limited liability, and its American depositary shares (“ADS”) (each representing two ordinary shares) are listed on the New York Stock Exchange (Stock Code: LU). Lufax is principally engaged in offering financial products to small and micro businesses as a financial services empowering institution in the PRC. For the nine months ended 30 September 2024, the unaudited consolidated loss attributable to owners of Lufax was RMB2,537,341,000 (30 June 2024: RMB1,662,535,000) with basic and diluted loss per ADS of RMB3.96 (30 June 2024: RMB2.90). As at 30 September 2024, its unaudited consolidated total equity attributable to the owners was RMB 84,546,943,000 (30 June 2024: RMB81,032,909,000).
- (g) The money market fund administrated by Industrial and Commercial Bank of China Limited principally invests in low risk and high liquidity financial instruments. The objective of the fund is pursuing superior return compared with similar products in the market and ensuring the stability of the investment capital. During the six months ended 30 June 2025, the quoted annualised daily return rate ranging from 1.25% to 1.50% per annum (31 December 2024: Nil).

## 14. INVESTMENT PORTFOLIO (Continued)

Notes: (Continued)

- (h) GoldenFuture Capital Investment Ltd. (“GoldenFuture Fund”) is a Cayman Islands exempted limited company, with the principal objective of aims to generate attractive long-term capital growth by investing primarily in the equity securities of a select group of high-quality businesses listed in global public markets with a focus on the Greater China and United States regions. As at 30 June 2025, the fair value of the GoldenFuture Fund of HK\$1,849,000 (31 December 2024: Nil) was valued based on the net asset value of each fund unit quoted by the investment manager.
- (i) APAL Holdings Limited (“APAL”) was incorporated in the Cayman Islands with limited liability. APAL is principally engaged in the business of global aircraft leasing, aircraft trading, securitised aircraft leasing financial products, aircraft parts trading, maintenance of aircraft, dismantling aircraft and other related consulting services. As at 30 June 2025, the fair value of the entire unlisted equity securities is HK\$799,585,000 (31 December 2024: HK\$822,748,000) by reference to the valuation provided by an independent professional qualified valuer using direct comparison approach with unobservable inputs.
- (j) DiDi Global Inc. (“DiDi”) was incorporated in the Cayman Islands with limited liability, and its American depositary shares are traded in the Over-the-Counter market (Stock Code: DIDIY) in the United States. Didi is principally engaged in operating mobility technology platforms which offer a wide range of app-based services including ride-hailing, taxi hailing, chauffeur and other forms of shared mobility, certain energy and vehicle services, food delivery, intra-city freight, and financial services. As at 30 June 2025, the shares of DiDi held by the Group at fair value is HK\$25,487,000 (31 December 2024: HK\$23,522,000).
- (k) HK Zxoud Limited (“Zxoud”) was incorporated in Hong Kong with limited liability. Zxoud is principally engaged in the business of developing cloud-based codec technology and distributed storage technology. As at 30 June 2025, the fair value of the entire unlisted equity securities as estimated by the Directors is US\$3,794,000 (equivalent to HK\$29,595,000) (31 December 2024: US\$3,794,000 (equivalent to HK\$29,595,000)) by reference to the valuation provided by an independent professional qualified valuer, which was performed on 31 December 2024 using discounted cash flow method.
- (l) Profound View Group (“Profound”) was incorporated in the Cayman Islands with limited liability. Profound and its subsidiaries are principally engaged in the business of biotechnology and new drug research and development. As at 30 June 2025, the fair value of the entire unlisted equity securities as estimated by the Directors is RMB740,350,000 (equivalent to HK\$808,860,000) (31 December 2024: RMB740,350,000 (equivalent to HK\$808,860,000)) by reference to the valuation provided by an independent professional qualified valuer, which was performed on 31 December 2024 using discounted cash flow method.



## 15. CRYPTOCURRENCIES

The amounts represented the cryptocurrencies held by the Group as at the end of the reporting period.

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
<b>Mainstream:</b>		
Bitcoin	40,548	105,092
Ethereum	16,676	35,359
Tether USD	44,894	80
USD Coin	8	8
	<u>102,126</u>	<u>140,539</u>

*Note:*

At the end of the reporting period, cryptocurrencies were stated at the lower of cost and net realisable value. The Group estimated the net realisable value of the cryptocurrencies with reference to their market prices in the relevant cryptocurrencies markets less the estimated costs necessary to make the sale. No write-down or reversal of write-down of cryptocurrencies was recognised for the six months ended 30 June 2025 and 2024.

## 16. LOANS RECEIVABLE

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Loans receivable from third parties	248,076	247,978
Less: Loss allowance	<u>(218,897)</u>	<u>(218,897)</u>
	<u>29,179</u>	<u>29,081</u>

## 16. LOANS RECEIVABLE (Continued)

At the end of the reporting period, the loans receivable comprise:

- (a) A RMB90,000,000 loan to an independent third party borrower, which was secured by a corporate guarantee provided by an independent third party and a personal guarantee provided by a shareholder of the borrower, interest-bearing at 8% per annum and was further extended to be repayable in December 2021.

A further loan extension was granted subject to certain conditions to be fulfilled by the borrower, details of which were set out in the Company's announcement dated 16 December 2021. None of the terms under the conditions was completed and the loan extension had not become effective. The Group has continually issued demand letters to the borrower since the date the loan defaulted. A partial repayment was received during the year ended 31 December 2022. Neither the interest nor the principal was settled by the borrower subsequently. As at the date of this report, no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of RMB86,000,000 (equivalent to HK\$96,272,000) (31 December 2024: RMB86,000,000 (equivalent to HK\$96,272,000)) and accrued interest receivable of HK\$18,693,000 (31 December 2024: HK\$18,693,000) were recognised as loans receivable under current assets. Loss allowance of HK\$114,965,000 (31 December 2024: HK\$114,965,000) in respect of this credit impaired loan receivable had been recognised at the end of the reporting period. Details of the loan were set out in the Company's announcements dated 19 December 2019, 18 September 2020, 17 December 2020, 16 December 2021 and 11 February 2022 respectively.

- (b) A HK\$41,000,000 loan to an independent third party borrower, which was secured by a corporate guarantee provided by a substantial shareholder of the Company, interest-bearing at 8% per annum and was further extended to be repayable in June 2023. Pursuant to the extension of the loan agreement, the loan is further secured by accounts receivable of the borrower of HK\$18,732,000 as collateral, with other terms remain unchanged. No further extension was granted after June 2023. The Group has continually issued demand letters to the borrower since the date the loan defaulted. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of HK\$41,000,000 (31 December 2024: HK\$41,000,000) and accrued interest receivable of HK\$2,453,000 (31 December 2024: HK\$2,453,000) were recognised as loans receivable under current assets. Loss allowance of HK\$37,613,000 (31 December 2024: HK\$37,613,000) in respect of this loan receivable had been recognised at the end of the reporting period. Details of the loan were set out in the Company's announcements dated 9 December 2019, 12 December 2019, 29 June 2020, 31 December 2020, 31 December 2021, 30 September 2022 and 13 July 2023 respectively.

## 16. LOANS RECEIVABLE (Continued)

- (c) A HK\$60,000,000 loan to an independent third party borrower, which was secured by corporate guarantees provided by two independent third parties, interest-bearing at 5% per annum and was further extended to be repayable in March 2024. Pursuant to the extension of the loan agreement, the loan is secured by accounts receivable and deposits of the borrower of HK\$55,403,000 as collateral, with other terms remain unchanged.

A further loan extension was granted subject to certain conditions to be fulfilled by the borrower, details of which were set out in the Company's announcement dated 28 March 2024. None of the terms under the conditions was completed and the loan extension had not become effective. The Group has issued demand letters to the borrower since the date the loan defaulted. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of HK\$60,000,000 (31 December 2024: HK\$60,000,000) and accrued interest receivable of HK\$1,504,000 (31 December 2024: HK\$1,504,000) were recognised as loans receivable under current assets. Loss allowance of HK\$51,106,000 (31 December 2024: HK\$51,106,000) in respect of this loan receivable had been recognised at the end of the reporting period. Details of the loan were set out in the Company's announcements dated 18 March 2020, 17 June 2020, 30 September 2021, 1 October 2022, 31 March 2023, 28 September 2023, 28 March 2024 and 3 July 2024 respectively.

- (d) A RMB10,000,000 loan to an independent third party borrower, which was unsecured, interest-bearing at 5% per annum and was further extended to be repayable in June 2023 with other terms remain unchanged. No further extension was granted after June 2023. The Group is in negotiation with the borrower to repay the remaining loan receivable and accrued interest. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of RMB10,000,000 (equivalent to HK\$11,035,000) (31 December 2024: RMB10,000,000 (equivalent to HK\$11,035,000)) and accrued interest receivable of HK\$1,531,000 (31 December 2024: HK\$1,531,000) were recognised as loans receivable under current assets. Loss allowance of HK\$12,566,000 (31 December 2024: HK\$12,566,000) in respect of this loan receivable had been recognised at the end of the reporting period.

## 16. LOANS RECEIVABLE *(Continued)*

- (e) A HK\$14,000,000 loan to an independent third party borrower, which was unsecured, interest-bearing at 5% per annum. During the reporting period, the principal and accrued interest of the loan were partially settled, and the repayment date of the remaining balance was further extended to October 2025 with other terms remain unchanged.

At the end of the reporting period, the remaining principal of HK\$6,482,000 (31 December 2024: HK\$14,000,000) and accrued interest receivable of HK\$154,000 (31 December 2024: HK\$167,000) were recognised as loans receivable under current assets. Loss allowance of HK\$1,324,000 (31 December 2024: HK\$1,324,000) in respect of the loan receivable had been recognised at the end of the reporting period.

- (f) A RMB1,100,000 (equivalent to HK\$1,213,000) loan to an independent third party borrower, which was unsecured, interest-bearing at 12% per annum and was repayable in August 2023. No extension was granted after August 2023. The Group is in negotiation with the borrower to repay the loan receivable and accrued interest. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of RMB1,100,000 (equivalent to HK\$1,213,000) (31 December 2024: RMB1,100,000 (equivalent to HK\$1,213,000)) and accrued interest receivable of HK\$110,000 (31 December 2024: HK\$110,000) were recognised as loans receivable under current assets. Loss allowance of HK\$1,323,000 (31 December 2024: HK\$1,323,000) in respect of this loan receivable had been recognised at the end of the reporting period.

- (g) A RMB2,000,000 (equivalent to HK\$2,193,000) loan to an independent third party borrower, which was unsecured, interest-bearing at 3.45% per annum and was repayable in February 2025. No extension was granted after February 2025. The Group is in negotiation with the borrower to repay the loan receivable and accrued interest. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of RMB2,000,000 (equivalent to HK\$2,193,000) and accrued interest receivable of HK\$6,000 were recognised as loans receivable under current assets. No loss allowance in respect of this loan receivable had been recognised at the end of the reporting period.

## 16. LOANS RECEIVABLE *(Continued)*

- (h) A HK\$5,300,000 loan to an independent third party borrower, which was secured by a corporate guarantee provided by an independent third party, interest-bearing at 10% per annum and was repayable in June 2025. No extension was granted after June 2025. The Group is in negotiation with the borrower to repay the loan receivable and accrued interest. The Group has issued a demand letter to the borrower and the guarantor since the date of the loan defaulted. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of HK\$5,300,000 and accrued interest receivable of HK\$129,000 were recognised as loans receivable under current assets. No loss allowance in respect of this loan receivable had been recognised at the end of the reporting period.

## 17. ASSETS CLASSIFIED AS HELD-FOR-SALE

On 29 May 2023, pursuant to a real property purchase and sale and escrow agreement (the “Real Property Purchase and Sale Agreement”), the Group conditionally agreed to dispose of its property consisting of (a) the real estate situated at 6580 Via Del Oro, San Jose, California 95119 and with an area of 4.725 acres; and (b) one story mission critical data center building with an area of approximately 80,158 square feet located on the land (collectively, the “Land and Property”) to Prime Data Centres, LLC (the “Purchaser”), an independent third party of the Group, at a consideration of US\$110,000,000 (equivalent to HK\$858,000,000) (the “Disposal of US-IDC”).

On 12 July 2023, the Disposal of US-IDC was approved by the shareholders in a special general meeting of the Company. Details of the Disposal of US-IDC are set out in the Company’s announcement dated 29 May 2023, the circular dated 23 June 2023 and the poll result announcement dated 12 July 2023.

The assets classified as held-for-sale of HK\$850,200,000 (31 December 2024: HK\$850,200,000) referred to the carrying amount of the Land and Properties transferring from investment properties under non-current assets. During the six months ended 30 June 2025 and subsequent to the end of the reporting period, the Group entered into certain amendments to the Real Property Purchase and Sale Agreement to extend the contingency date of the Disposal of US-IDC to 2 September 2025. Contingent upon the construction plan proposed by the Purchaser and the ongoing power supply concerns, the Disposal of US-IDC was not yet completed up to the date of approving these unaudited condensed consolidated interim financial statements. In the opinion of the Directors, there is sufficient evidence that the Group remains committed to the Disposal of US-IDC. Accordingly, the Land and Property was continued to be recognised as assets classified as held-for-sale in accordance with HKFRS 5 as at 30 June 2025. The Disposal of US-IDC is expected to be completed during the course of 2025.

## 18. TRADE AND OTHER PAYABLES

		30 June 2025 HK\$'000	31 December 2024 HK\$'000
	Note		
Trade payables	(a)	9,328	10,338
Contract liabilities		7,181	5,426
Other payables	(b)	229,955	220,982
Accruals		15,544	28,418
		<u>262,008</u>	<u>265,164</u>

Notes:

- (a) The ageing analysis of trade payables by invoice date at the end of the reporting period is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
0–30 days	4,936	1,731
31–60 days	866	8,310
61–90 days	3,526	297
	<u>9,328</u>	<u>10,338</u>

- (b) Included in other payables are the following balances:

- (i) Outstanding payable of RMB67,000,000 (equivalent to HK\$79,748,000) (31 December 2024: RMB67,000,000 (equivalent to HK\$79,748,000)) for the procurement of hash-rate capacity, which has been recognised as intangible assets of the Group in prior years. The outstanding payable, which is repayable on demand, is not available to set-off against the earnest money of RMB57,000,000 (equivalent to HK\$62,500,000) (31 December 2024: RMB57,000,000 (equivalent to HK\$61,555,000)) paid for the procurement of hash-rate capacity in prior years (note 12(b)).
- (ii) A performance bond, which is repayable on demand, received from Zhongda Bocheng in relation to the purchase of cryptocurrency mining machines amounted to RMB110,000,000 (equivalent to HK\$120,614,000) (31 December 2024: RMB110,000,000 (equivalent to HK\$118,790,000)) (note 12(c)(i)).
- (iii) Outstanding payables of HK\$6,804,000 (31 December 2024: HK\$8,804,000) for the purchase of cryptocurrency mining machines, which was recognised as property, plant and equipment of the Group, is repayable on demand.

## 19. BANK AND OTHER LOANS

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
<b>Current and secured</b>		
Term loans from banks with repayment on demand clause	916	952
<b>Current and unsecured</b>		
Other loan	2,000	2,000
	<u>2,916</u>	<u>2,952</u>

Note:

As at 30 June 2025, the bank loans carried variable interest rates ranging from 2.90% to 3.03% (31 December 2024: 3.03% to 3.53%) per annum. The bank loans are secured by the assets of the Group as set out in note 21.

## 20. SHARE CAPITAL

	Number of shares		Amount	
	30 June 2025 '000	31 December 2024 '000	30 June 2025 HK\$'000	31 December 2024 HK\$'000
<b>Authorised:</b>				
At beginning and end of the reporting period				
Ordinary shares of HK\$0.025 each	<u>8,000,000</u>	<u>8,000,000</u>	<u>200,000</u>	<u>200,000</u>
<b>Issued and fully paid:</b>				
At beginning and end of the reporting period				
Ordinary shares of HK\$0.025 each	<u>2,487,705</u>	<u>2,487,705</u>	<u>62,193</u>	<u>62,193</u>



21. PLEDGED ASSETS

The Group had pledged the following assets to secure the loan facilities:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Right-of-use assets	54,393	55,895
Bank deposits	200	200

22. CHANGES IN OWNERSHIP INTERESTS IN A SUBSIDIARY THAT DO NOT RESULT IN LOSS OF CONTROL

*Acquisition of non-controlling interests without a change in control*

On 5 June 2024, the Group acquired the remaining 40% equity interest in an indirect non-wholly-owned subsidiary, Grand InfoTech (HK) Limited at a consideration of HK\$4,000, increasing its ownership from 60% to 100%. This resulted in decrease in non-controlling interests of HK\$4,000 for the six months ended 30 June 2024.

23. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The unaudited condensed consolidated interim financial statements were approved by the Board on 18 August 2025.



## MANAGEMENT DISCUSSION AND ANALYSIS

The Group is principally engaged in the businesses of information home appliances (“IHA”), internet data centre (“IDC”), investing and leasing.

### BUSINESS REVIEW AND PROSPECT

#### IHA Business

The IHA business is principally engaged in sales and distribution of IHA and complementary products. Products launched by the Group in the markets include high digital set-top boxes (“STB”), hybrid dual-STB, over-the-top (“OTT”)/Internet Protocol Television (“IPTV”) STB, STB equipment with Android systems, etc. The Group has extensive experience in designing and manufacturing networked audio and video products, from hardware to software, from operating systems to business integration, covering a wide range of vertical applications.

The business is encountering significant competition not only from established STB manufacturers but also from dedicated streaming platforms and the growing prevalence of smart TVs in the market. As a result of declining sales orders, revenue decreased significantly by 65.9% from HK\$93.3 million for the six months ended 30 June 2024 to HK\$31.9 for the six months ended 30 June 2025 (the “Period”). With cautious risk management and prioritised cost efficiency, the IHA business reported a segment profit of HK\$4.1 million (30 June 2024: HK\$5.1 million) for the Period, representing a 18.7% decrease as compared with the same period of the last fiscal year.

#### IDC Business

The IDC business is principally engaged in the development, construction, operation, mergers, acquisitions and leasing out of properties used as IDC and facilities used in IDC. From February 2025, the lease of the IDC in the United States (“US”), which is currently classified as assets held-for-sale, was being deferred, leading to a 52.1% decrease in the revenue to HK\$13.1 million (30 June 2024: HK\$27.4 million) for the Period. The segment reported a loss of HK\$0.3 million (30 June 2024: profit of HK\$13.3 million) due to the decrease in revenue.

The Group conditionally agreed to dispose of the US-IDC to Prime Data Centers, LLC (the “Purchaser”), an independent third party of the Group, at a consideration of US\$110.0 million (equivalent to HK\$858.0 million) on 29 May 2023 (the “Disposal of US-IDC”). Subsequent to the reporting period, the contingency date of the Disposal of US-IDC was further extended to 2 September 2025. Contingent upon the construction plan proposed by the Purchaser and the ongoing power supply concerns, the Disposal of US-IDC was not yet completed up to the date of this report. The Board is closely monitoring the progress and proactively negotiating with the Purchaser to facilitate the completion of the Disposal of US-IDC.

The IDC market is poised for steady growth driven by increasing demand for cloud computing, data storage, and rapid digital transformation. Key factors include expansion of major cloud providers as well as rising adoption of IoT, AI and big data analytics. With the increasing anti-China sentiments in the US market, the business is facing operational challenges and negative market perceptions.

## Investing Business

The Group’s investing business is principally engaged in the trading of securities and investing in financial instruments and digital assets. The Group recorded a net fair value gain on financial assets at fair value through profit or loss of HK\$1.1 million (30 June 2024: \$11.6 million) for the Period. Other than the fair value gain from listed securities, the business’s performance was attributed to the realised gain from the disposal of digital assets of HK\$2.3 million (30 June 2024: HK\$53.9 million), which are set out in the Company’s announcements dated 5 March 2025 and 23 June 2025, respectively.

The cryptocurrencies market has witnessed a significant price increase, reaching an all-time high in the latter half of the year. The implementation of supportive and evolving regulations has fostered greater adoption and attracted institutional interest, thereby facilitating the integration of mainstream cryptocurrencies into investment portfolios, both as treasury reserves and for diversification purposes. Looking ahead, the Board will continuously monitor the investment landscape and the inherent volatility associated with cryptocurrencies.

## Leasing Business

The Group's leasing business is principally engaged in the rental of properties. The business recorded HK\$6.5 million (30 June 2024: HK\$8.4 million) rental income generated from the investment properties for the Period, representing a decrease of 22.8% as compared with the same period of the last fiscal year. The business faced challenges due to a downturn in the industrial sector, resulting in a net fair value loss of HK\$5.7 million (30 June 2024: profit of HK\$0.6 million) of investment properties and further leading to a segment loss of HK\$1.9 million (30 June 2024: profit of HK\$6.2 million) for the Period.

The ongoing and modernisation of the manufacturing sector enhances the regional appeal of investment properties, ensuring a steady demand for industrial leasing. The Board will proactively extend the tenancy for existing tenants and explore opportunities for new tenants.

## FINANCIAL REVIEW

### Operating Results

#### *Revenue and Gross Profit*

Due to the fierce competition in the STB markets, the Group's revenue decreased 62.8% to HK\$45.0 million (30 June 2024: HK\$120.7 million) for the Period. Gross profit decreased 56.1% to HK\$16.5 million (30 June 2024: HK\$37.7 million) as a result of the decrease in rental income generated by the US-IDC and the overall downtrend of sales orders from the IHA business.

#### *Other Revenue and Net Income*

The Group recorded a net income of HK\$11.7 million (30 June 2024: HK\$76.9 million) from other revenue and net income for the Period. The decrease was caused by the decrease in gain on disposal of cryptocurrencies of HK\$2.3 million (30 June 2024: HK\$53.9 million) as compared with the same period of the last fiscal year.

#### *Net Change in Fair Value of Investment Properties*

The Group recognised a net revaluation loss of HK\$5.7 million (30 June 2024: gain of HK\$0.6 million) on investment properties for the Period. The revaluation loss is primarily attributed to the downturn in the property market in the People's Republic of China (the "PRC"), which has led to decreased valuations in both investment properties situated in Zhongshan City and Meishan City, the PRC.

### *Distribution and Selling Expenses*

The Group's distribution and selling expenses diminished by 66.6% to HK\$1.0 million (30 June 2024: HK\$2.9 million) for the Period. The reduction is consistent with the decline in sales order distribution within the IHA business segment.

### *General and Administrative Expenses*

The Group's general and administrative expenses decreased by 4.1% to HK\$48.8 million (30 June 2024: HK\$50.8 million) for the Period due to the strict cost control in place.

### *Other Operating Expenses*

The other operating expenses mainly comprised of the depreciation of property, plant and equipment (being the cryptocurrency mining machines acquired for cryptocurrencies mining not allocated to cost of cryptocurrencies), property related tax and land use tax from leasing activities and other miscellaneous cost. The Group recorded HK\$1.1 million (30 June 2024: HK\$8.1 million) of other operating expenses for the Period, representing a significant decrease of 86.9% as compared with the same period of the last fiscal year. Since the cryptocurrency mining machines were fully impaired in 2024, there was no depreciation incurred for the Period contributing to the substantial reduction in expenses.

### *Finance Costs*

The finance costs of the Group amounted to HK\$0.2 million (30 June 2024: HK\$0.3 million) for the Period, mainly comprised of the interest expenses on the bank loans. The decline of 40.4% as compared with the same period of the last fiscal year was caused by the reduction in debt financing.

### *Loss for the Period*

As a result of the foregoing, the Group recorded a loss attributable to owners of the Company of HK\$30.0 million (30 June 2024: profit of HK\$53.2 million) for the Period.

## Liquidity and Financial Resources

As at 30 June 2025, the Group had net current assets of HK\$1,133.5 million. The Group had cash and bank balances of HK\$18.3 million and pledged bank deposits of HK\$0.2 million respectively. The financial resources were funded mainly by the working capital from operations.

The current ratio, calculated by dividing current assets by current liabilities, was 5.2 times (31 December 2024: 5.3 times) as at 30 June 2025. The gearing ratio, as measured by total liabilities divided by total equity, was 19.5% (31 December 2024: 19.4%) as at 30 June 2025. The gearing ratio decreased as a result of the decrease on trade and other payables in relation to the daily operations. The Group adopts a prudent approach to cash management. Apart from certain debts including lease liabilities, bank and other loans, the Group did not have any material outstanding debts as at 30 June 2025. Payment to settle trade and other payables represented a significant part of the cash outflow of the Group. Taking into account the light debt leverage, the Group is able to generate cash and meet upcoming cash requirements. Hence, the Group has adequate liquidity and financial resources to meet its working capital requirements in the next twelve months from the balance sheet date and remain at a stable and healthy level.

## Capital Commitment

The Group had no other capital commitment as at 30 June 2025 (31 December 2024: Nil).

## Contingent Liabilities

The Group had no contingent liabilities as at 30 June 2025 (31 December 2024: Nil).

## Charges on Group Assets

Details of charges on the Group assets are set out in note 21 to the unaudited condensed consolidated interim financial statements in this report.

## Capital Structure

As at 30 June 2025, the Group had shareholder's capital of HK\$62.2 million (31 December 2024: HK\$62.2 million). The shareholder's capital of the Company is constituted of 2,487,704,800 shares (31 December 2024: 2,487,704,800 shares).

## Significant Investments/Material Acquisitions and Disposals

### *Acquisitions and Disposals of Cryptocurrencies*

During the period between 22 January 2025 and 5 March 2025, the Group conducted a series of transactions in the open market to convert 50 units of Bitcoin to 4.5 million units of Tether USD (“USDT”), and the disposals of 3.3 million units of USDT. The details of the acquisitions and disposals are set out in the Company’s announcement dated 5 March 2025.

During the period between 4 August 2024 and 23 June 2025, the Group conducted a series of disposals of 1,220 units of Ethereum (“ETH”) in the open market, which 785 units of ETH was converted into 2.4 million units of USDT and the remainder of 435 units of ETH being disposed of were sold for cash. The details of the acquisitions and disposals are set out in the Company’s announcement dated 23 June 2025.

Saved as disclosed in this report, the Group had no other significant investment and no material acquisition or disposal of subsidiaries, associates and joint ventures during the Period.

## Future Plans for Material Investment and Capital Assets

There is no other plan for material investments or capital assets as at 30 June 2025.

## TREASURY POLICIES

The Group adopts a conservative approach toward its treasury policies. It strives to reduce its 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 requirements.

## CREDIT POLICIES

The Group has adopted a credit policy to manage and monitor the recoverability of the loans, trade receivables and contract assets on an ongoing basis. Details of which are outlined below:

- (a) Credit risk assessment: The Group would perform credit risk assessment before extending or granting the loans by (i) reviewing the financial reports and statements showing the net asset value of the potential or existing borrowers and other relevant financial information; (ii) performing an assessment on the financial condition of the potential or existing guarantors, such as the type and value of assets owned by the potential or existing guarantors; and (iii) reviewing the financial positions of the existing borrowers on an annual basis.
- (b) Security/Collateral assessment: The Group would assess and decide the necessity and the value of security/collateral for granting or extending each loan, whether to an individual or enterprise, on a case-by-case basis considering the factors including but not limited to the repayment history, results of public search towards the potential or existing borrower, the value and location of the assets owned by the potential or existing borrowers.
- (c) Loan collection/Recovery: The Group would issue overdue payment reminders to the borrower, instruct its legal advisers to issue demand letters for overdue loans, negotiate with the borrower for the repayment or settlement of the loan and/or commence legal action against the borrower. In respect of the loans not yet overdue, the Group will closely monitor for any adverse news which may trigger a default in payment.

The Board has exercised its oversight over the loans granted by the Group. Any material changes in the borrowers' financial positions from the annual assessment are required to be reported to the Board.

During the reporting period, credit risk assessments and collateral evaluations were conducted for both borrowers and guarantors associated with the two newly granted loans. Among of two loans overdue during the Period, the Group has sent a reminder for overdue payments and engaged in negotiations with the borrowers and guarantor to facilitate repayment or reach a settlement for the loans.

Based on the actions taken by the Group, the Directors considered that the Group has strictly followed the Group's credit policies.



## KEY RISKS AND UNCERTAINTIES

During the Period, the Group endeavoured to improve the risk management system in different aspects of company strategies, business operations and finance. The key risks and uncertainties to which the Group is subject are summarized as follows:

- (i) The revenue of the Group is difficult to predict and may be volatile in any given reporting period, owing to the tightened supply of microchips as the raw material of the distributed products of the IHA business;
- (ii) Rapid changes in production innovation and features may increase competition and render the Group's current technologies or cause the Group of losing market share and narrower profit margins from intensification of competition;
- (iii) Customer preferences and trends from the increasing demands for streaming services, on-demand content, and smart-home integration may have a material adverse impact on the set-top box market or our business, financial condition and results of the operations;
- (iv) The impact of protectionism and unilateralism has affected the stability of the global landscape, with increasing sources of turbulence and risk points. The Group may be exposed to restrictions, sanctions or other legal or regulatory measures in different jurisdictions. The increasingly stringent regulatory environment and policies, such as licence issuance, may bring risks and challenges to the Group's business development and revenue growth;
- (v) The investments of the Group in countries and regions across the world might at present or in future be affected by changes in local, national or international political, social, legal, tax, regulatory and environmental requirements from time to time. In addition, new government policies or measures, if introducing changes in fiscal, tax, regulatory, environmental or other aspects that may affect competitiveness, could result in an additional or unforeseen increase in operating expenses and capital expenditures, produce risks to the overall return on investments of the Group, and delay or impede its business operations and hence adversely affect revenues and profits;
- (vi) The value of digital assets held by the Group may be subject to volatile market prices, impairment and unique risks of loss such as cyberattacks, human errors or computer malfunctions; and
- (vii) The Group may face regulatory challenges to or limitations on the Group's digital asset investment.

In future business operations, the Group will be highly aware of the aforesaid risks and uncertainties and will proactively adopt effective measures to tackle such risks and uncertainties.



## HUMAN RESOURCES AND RELATIONS WITH THE EMPLOYEES

As at 30 June 2025, the Group has over 70 (30 June 2024: over 100) full-time employees, of which 22 (30 June 2024: 22) were based in Hong Kong and the rest were in the PRC and the US. Staff costs of the Group amounted to HK\$16.2 million (30 June 2024: HK\$20.5 million) for the Period. The employees of the Company's subsidiaries are employed and promoted based on their suitability for the positions offered. The salary benefit levels of the Group's employees are in line with the market rates. Employees are rewarded on a performance-related basis within the general framework of the Group's remuneration system which is reviewed annually. In addition to basic salaries, staff benefits also include medical schemes and various insurance schemes.

## ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to building an environmentally-friendly corporation and always takes the environmental protection issues into consideration during daily operation. The Group does not produce material waste nor emit material quantities of air pollutants. The Group also strives to minimise the adverse environmental impacts by encouraging employees to recycle office supplies and other materials and to save electricity.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Company has been listed on GEM of the Stock Exchange since 2000. The operations of the Group are mainly carried out by the Company's subsidiaries in the PRC, Hong Kong and the US. As such, the Group's operations shall comply with relevant laws and regulations in the PRC, Hong Kong and the US accordingly. During the Period, the Group has complied with all applicable laws and regulations in the PRC, Hong Kong and the US in all material respects. The Group shall continue to keep itself updated with the requirements of the relevant laws and regulations in the PRC, Hong Kong and the US and adhere to them to ensure compliance.

## RESERVES

Movements in reserves of the Group during the Period are set out in the unaudited condensed consolidated statement of changes in equity of the financial statements.

## DIVIDEND

The Board does not recommend the payment of interim dividend for the Period (30 June 2024: Nil).

## SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) pursuant to the ordinary resolutions passed by the shareholders of the Company (the “Shareholders”) at the special general meeting (“SGM”) on 14 January 2015 (the “Option Adoption Date”). The Share Option Scheme is valid for ten years from the Option Adoption Date and shall expire at the close of business on the day immediately preceding the 10th anniversary thereof unless terminated earlier by the Shareholders in general meeting. The Share Option Scheme was expired during the Period.

The total number of shares of the Company (“Share(s)”) which may be issued upon the exercise of all share options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total issued share capital of the Company on the Option Adoption Date (the “Scheme Mandate”) unless the Company obtains an approval from the Shareholders to renew the 10% limit on the basis that the maximum number of Shares in respect of which share options may be granted under the Share Option Scheme together with any share options outstanding and yet to be exercised under the Share Option Scheme and any other share option schemes shall not exceed 30% of the total issued share capital of the Company from time to time. At the SGM which was held on the Option Adoption Date, the Scheme Mandate was approved by the Shareholders and the total number of Shares that may be allotted and issued under the Share Option Scheme would be 179,211,680 Shares, representing 10% of the total number of Shares in issue as at the Option Adoption Date and 7.20% of the total number of Shares in issue as at the date of this report.

On 30 August 2019, the Company offered to grant 11 eligible participants to subscribe for a total of 100,000,000 ordinary Shares of HK\$0.025 each in the capital of the Company at an exercise price HK\$0.33 per Share (the “2019 Share Options”). The 2019 Share Options are exercisable up to three years from the date of grant. As there is no vesting condition for the 2019 Share Options, they were vested immediately at the date of grant. As a result, non-cash share-based compensation expenses in respect of all the 2019 Share Options of approximately HK\$10.4 million was recognised as expense by the Group with the same amount credited to share option reserves under equity for the year ended 31 December 2019. For details of the terms of the 2019 Share Options, please refer to the Company’s announcement dated 30 August 2019.

No share options were granted or exercised during the six months ended 2025 and 2024 or outstanding at 30 June 2025 and 2024. As at 1 January 2025 and 30 June 2025, no share options were available for grant under the Share Option Scheme.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying shares and/or debentures of the Company and/or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

### (1) Long positions in the shares of the Company

Name of Directors	Nature of interests	Number of ordinary Shares	Capacity	Approximate percentage of the total issued share capital of the Company
Mr. Li Qiang	Personal	4,604,000	Beneficial owner	0.19%
Mr. Cong Yu	Personal	741,379,800	Interest of a controlled corporation	29.80%
Mr. Shi Guangrong	Personal	22,660,000	Beneficial owner	0.91%
Mr. Zhu Jiang	Personal	7,926,756	Beneficial owner	0.32%
Ms. Shen Yan	Personal	324,000	Beneficial owner	0.01%

### (2) Long positions in the underlying shares of the Company

None of the Directors and chief executive has held any share options as at 30 June 2025.

As at 30 June 2025, none of the Directors or chief executive of the Company had any interests or short positions in any Shares, underlying shares and/or debentures of the Company and/or any of its associated corporations (within the meanings of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules.

Save as disclosed above, at no time during the Period was the Company or any of its subsidiaries a party to any arrangement which enables the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

Based on the information provided to the Company in notices filed, as at 30 June 2025, the entities and/or persons or corporations who had any interests or short positions in the Shares and/or underlying shares of the Company which 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 pursuant to Section 336 of the SFO or had otherwise notified to the Company were as follows:

### Long positions in the shares and underlying shares of the Company

Name of Shareholders	Nature of interests	Number of ordinary Shares	Capacity	Approximate percentage of the total issued share capital of the Company
Unicorn Resources Inc. ("Unicorn") (Note 1)	Corporate	741,379,800	Beneficial owner	29.80%
Cong Yu Company Limited (Note 1)	Corporate	741,379,800	Interest of a controlled corporation	29.80%
Mr. Cong Yu (Note 1)	Personal	741,379,800	Interest of a controlled corporation	29.80%
Mr. Zhu Weisha (Note 2)	Personal	741,379,800	Interest of a controlled corporation	29.80%
		19,000,000	Beneficial owner	0.76%
Honbridge Holdings Limited (Stock Code: 8137) (Note 3)	Corporate	351,867,200	Beneficial owner	14.14%
Hong Bridge Capital Limited (Note 3)	Corporate	351,867,200	Interest of a controlled corporation	14.14%
Geely Group Limited (Note 3)	Corporate	351,867,200	Interest of a controlled corporation	14.14%
Mr. Li Shu Fu (Note 3)	Personal	351,867,200	Interest of a controlled corporation	14.14%

*Notes:*

1. Unicorn is the beneficial owner of 741,379,800 Shares. Cong Yu Company Limited holds 55% interest in Unicorn and it is deemed to be interested in the 741,379,800 Shares held by Unicorn. Mr. Cong Yu holds 100% interest in Cong Yu Company Limited (which holds 55% interest in Unicorn) and he is therefore deemed to be interested in the 741,379,800 Shares held by Unicorn.
2. Mr. Zhu Weisha holds 45% interest in Unicorn and he is deemed to be interested in the 741,379,800 Shares held by Unicorn. The remaining interest in 19,000,000 Shares is beneficially owned by Mr. Zhu Weisha, representing 19,000,000 underlying shares in respect of the share options granted by the Company on 30 August 2019.
3. Honbridge Holding Limited is the beneficial owner of 351,867,200 Shares. 41.25% Shares of Honbridge Holdings Limited are held by Hong Bridge Capital Limited, which in turn 68.86% held by Geely Group Limited (which 100% held by Mr. Li Shu Fu). By virtue of the provisions of Part XV of the SFO, each of Hong Bridge Capital Limited, Geely Group Limited and Mr. Li Shu Fu was deemed to be interested in the Shares of the Company in which Honbridge Holdings Limited was interested.
4. Based on a total of 2,487,704,800 Shares as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, the Directors are not aware of any persons or corporations who had any interests or short positions in the Shares and/or underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

## MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Period.

## COMPETING INTERESTS

None of the Directors or the controlling Shareholders and their respective close associates (as defined in the GEM Listing Rules) has an interest in a business which competed or might compete with the business of the Group or has any other conflict of interest with the Group during the Period.

## CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the continuing growth of the Group and for safeguarding and maximising Shareholders' interests.

During the Period, the Company has applied the principles and complied with the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Part 2 of Appendix C1 to the GEM Listing Rules, except in relation to CG Code provisions F.2.2, as more particularly described below.

### CG Code provision F.2.2

Pursuant to CG Code provision F.2.2, the Chairman of the Board should attend the annual general meeting ("AGM") and invite the chairman of the audit, remuneration and nomination committees to attend and be available to answer questions at the AGM. Mr. Chen Biao, an executive Director, has been performing the above duties in lieu of Mr. Li Qiang, the Chairman of the Board, who had other pre-arranged business commitments on the AGM held on 18 June 2025.

## AUDIT COMMITTEE

The Board has established an audit committee (the "Audit Committee"). It currently comprises two independent non-executive Directors, namely Ms. Shen Yan (Chairlady) and Ms. Huo Qiwei. None of the members of the Audit Committee is a former partner of the auditor of the Company.

The principal duties of the Audit Committee are to assist the Board in reviewing the financial information, overseeing the Company's financial reporting system, risk management, internal control systems and relationship with external auditor, and arrangements to enable employees of the Company to raise concerns under the protection of confidentiality about possible improprieties in financial reporting, internal control or other matters of the Company.

The Group's unaudited condensed consolidated interim results for the Period have not been audited but have been reviewed by the Audit Committee pursuant to the relevant provisions contained in the CG Code. The Audit Committee was of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

## SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in rules 5.48 to 5.67 (the "Required Standard of Dealings") of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors. Upon specific enquiries of all Directors, each of them confirmed that they have complied with the required standards set out in the Required Standard of Dealings for the Period in relation to their securities dealing, if any.

By order of the Board  
**Yuxing InfoTech Investment Holdings Limited**  
**Cong Yu**  
*Executive Director and Chief Executive Officer*

Hong Kong, 18 August 2025

*As at the date hereof, the executive Directors are Mr. Li Qiang, Mr. Cong Yu, Mr. Shi Guangrong, Mr. Zhu Jiang and Mr. Chen Biao; the independent non-executive Directors are Ms. Shen Yan and Ms. Huo Qiwei.*