

# ISP Global Limited

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8487

INTERIM  
REPORT

2025/26

## 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.

*This report, for which the directors (the “**Directors**”) of ISP Global Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable 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.*

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# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

## UNAUDITED INTERIM RESULTS

The unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 31 December 2025, together with the unaudited comparative figures for the corresponding periods in 2024, are as follows:

		Six months ended 31 December	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Revenue</b>	3	<b>56,018</b>	142,095
Costs of sales/services		<b>(36,481)</b>	(103,004)
<b>Gross profit</b>		<b>19,537</b>	39,091
Other income	4	<b>182</b>	167
Other gains (losses), net	4	<b>926</b>	(148)
Reversal of allowance for expected credit loss on trade receivables		<b>476</b>	147
Selling and administrative expenses		<b>(8,680)</b>	(31,060)
Selling and administrative staff costs		<b>(16,666)</b>	(16,129)
Finance costs	5	<b>(504)</b>	(2,345)
<b>Loss before taxation</b>	6	<b>(4,729)</b>	(10,277)
Income tax expense	7	<b>(580)</b>	(16)
<b>Loss for the period</b>		<b>(5,309)</b>	(10,293)
<b>Other comprehensive (loss) income, after tax</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		<b>(2,794)</b>	(157)
<b>Total comprehensive loss for the period, net of tax</b>		<b>(8,103)</b>	(10,450)
<b>Loss for the period attributable to:</b>			
– Owners of the Company		<b>(3,315)</b>	(7,912)
– Non-controlling interest		<b>(1,994)</b>	(2,381)
		<b>(5,309)</b>	(10,293)

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

		Six months ended	
		31 December	
		2025	2024
	<i>Notes</i>	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
<b>Total comprehensive loss</b>			
<b>for the period attributable to:</b>			
– Owners of the Company		<b>(6,130)</b>	(8,078)
– Non-controlling interest		<b>(1,973)</b>	(2,372)
		<b>(8,103)</b>	(10,450)
<b>Losses per share attributable to the owners of the Company</b>			
Basic and diluted ( <i>Expressed in RMB cents per share</i> )	<i>8</i>	<b>(0.32)</b>	(0.76)

Details of dividends of the Company are set out in note 9.

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	26,969	28,976
Goodwill	11	74	74
Deposits		141	144
Pledged bank deposits		213	213
		<b>27,397</b>	29,407
<b>Current assets</b>			
Inventories	12	23,431	23,075
Trade receivables	13	22,032	15,898
Other receivables, deposits and prepayments	13	9,470	11,600
Contract assets	14	2,211	2,275
Bank balances and cash	15	44,970	55,977
		<b>102,114</b>	108,825
<b>Current liabilities</b>			
Trade and other payables	16	32,900	23,805
Contract liabilities	14	6,174	6,021
Lease liabilities	10	1,851	2,106
Borrowings	17	16,279	24,186
Income tax payable		945	986
		<b>58,149</b>	57,104
<b>Net current assets</b>		<b>43,965</b>	51,721
<b>Total assets less current liabilities</b>		<b>71,362</b>	81,128
<b>Non-current liabilities</b>			
Lease liabilities	10	768	1,608
Borrowings	17	16,340	17,161
Deferred tax liabilities	18	35	37
		<b>17,143</b>	18,806
<b>Net assets</b>		<b>54,219</b>	62,322

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

		As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
<b>EQUITY</b>			
Share capital	19	8,999	8,999
Reserves		57,312	63,442
<hr/>			
Equity attributable to the owners of the Company		66,311	72,441
Non-controlling interest		(12,092)	(10,119)
<hr/>			
<b>Total equity</b>		<b>54,219</b>	<b>62,322</b>



# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	Attributable to the owners of the Company									
	Share capital RMB'000	Share premium RMB'000	Shares held under share award scheme RMB'000	Merger reserve RMB'000 (Note i)	Translation reserve RMB'000	Share option and share award reserves RMB'000	Accumulated losses RMB'000	Sub-total RMB'000	Non-controlling interest RMB'000	Total RMB'000
Balance at 1 July 2024 (Audited)	8,999	116,979	-	2,572	5,379	7,409	(64,500)	86,838	(8,906)	77,932
Total comprehensive loss for the period:										
Loss for the period	-	-	-	-	-	-	(7,912)	(7,912)	(2,381)	(10,293)
Other comprehensive income for the period	-	-	-	-	(165)	-	-	(165)	8	(157)
Transactions with owners, recognised directly in equity										
Changes in the proportion held by non-controlling interests, acquisition of NCI by owners, recognised directly in equity	-	-	-	-	(1)	-	(2,246)	(2,247)	2,247	-
Balance at 31 December 2024 (Unaudited)	8,999	116,979	-	2,572	5,213	7,409	(64,658)	76,514	(9,032)	67,482

**Note:**

- (i) Merger reserve represents the difference between the nominal value of the shares issued by the Company in exchange for the nominal value of the share capital of its subsidiaries arising from the corporate reorganisation undertaken in the preparation for the listing of the Company's share (the "Shares") on GEM of the Stock Exchange.

# UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 ("RELEVANT PERIOD")

	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities</b>		
Loss before taxation	(4,729)	(10,277)
Adjustments for:		
Depreciation of property, plant and equipment	1,741	1,313
Loss on disposal of property, plant and equipment	48	33
Unrealised foreign exchange (gain) loss	(964)	115
Write-off of trade receivables	21	–
Reversal of allowance for expected credit loss on trade receivable	(476)	(147)
Reversal of inventory obsolescence	(1,634)	(403)
Interest income	(101)	(111)
Finance costs	504	2,345
Operating cash flows before movements in working capital	(5,590)	(7,132)
Movements in working capital:		
(Increase) decrease in trade receivables	(5,678)	10,280
Decrease in other receivables, deposits and prepayments	2,133	1,745
Decrease (increase) in contract assets	64	(1,956)
Decrease in inventories	1,281	9,573
Increase in contract liabilities	152	5,479
Increase (decrease) in trade and other payables	9,077	(2,595)
Cash generated from operations	1,439	15,394
Interest received	101	111
Income tax paid	(623)	(842)
Net cash generated from operating activities	917	14,663

# UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (“RELEVANT PERIOD”)

	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Cash flows from investing activity</b>		
Purchase of property, plant and equipment	(568)	(13)
Net cash used in investing activity	(568)	(13)
<b>Cash flows from financing activities</b>		
Net proceeds from issuance of shares upon placing	-	-
Repayment of leases liabilities – principal	(1,095)	(935)
Repayment of leases liabilities – interest	(85)	(84)
Advance from a director of the Company	4,498	8,228
Repayment to a director of the Company	(2,454)	(4,498)
Proceeds from borrowings	3,661	96,860
Repayment of borrowings	(12,388)	(105,932)
Interest paid on bank and other borrowings	(419)	(2,261)
Net cash used in financing activities	(8,282)	(8,622)
Net (decrease) increase in cash and cash equivalents	(7,933)	6,028
Cash and cash equivalents at beginning of the period	55,977	44,053
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(3,074)	(160)
<b>Cash and cash equivalents at end of the period represented by bank balances and cash</b>	<b>44,970</b>	<b>49,921</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

ISP Global Limited (the “**Company**”) was incorporated and registered as an exempted company in the Cayman Islands with limited liability on 21 July 2017 and its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Companies Ordinance**”) on 8 September 2017. The head office and principal place of business of the Company in Hong Kong is Suite 4302, 43/F., Central Plaza, 18 Harbour Road, Wan Chai, Hong Kong. The principal place of business in Singapore is at No. 3 Ang Mo Kio Street 62, #01-39, LINK@AMK, Singapore 569139. The shares of the Company (the “**Shares**”) have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 16 January 2018.

The Company is an investment holding company and the principal activities of its operating subsidiaries are sale of networking, sound and communication systems, provision of integrated services of networking, sound and communication systems in Singapore and the People’s Republic of China (“**PRC**”) and e-commerce operation in PRC.

The unaudited condensed consolidated financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated. All values are rounded to the nearest thousand except when otherwise indicated.

The unaudited condensed consolidated financial statements are approved by the board of Directors (the “**Board**”) on 27 February 2026.

## 2. BASIS OF PREPARATION AND APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (“**IFRSs**”)

For the purpose of preparing and presenting the unaudited condensed consolidated financial statement for the reporting period, the Group has consistently applied IFRSs that are effective for the financial year beginning on 1 July 2025 throughout the reporting period. At the date of issuance of this report, the Group has not applied the following new IFRSs, amendments to IFRSs, amendments to International Accounting Standards (“**IASs**”), and the new interpretations that have been issued but are not yet effective:

### New and amendments to IFRSs in issue but not yet effective

The Group has not opted for early application of the following new and amendments to IFRSs that have been issued but are not yet effective:

		<b>Effective for annual periods beginning on or after</b>
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature – dependent Electricity	1 January 2026
Amendments to IFRS Accounting Standards IFRS 18	Annual improvements to IFRS Accounting Standards – Volume 11	1 January 2026
	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Management anticipates that the adoption of the above new and amendments to IFRSs in future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 3. REVENUE AND SEGMENT INFORMATION

Revenue represents the consideration to which the Group expects to be entitled to from (1) sale of networking, sound and communication systems; (2) provision of integrated services of networking, sound and communication systems, includes installation and customisation of networking, sound and communication systems and technical support services; and (3) e-commerce operation. The Group's operations are mainly derived from Singapore and the PRC during the six months ended 31 December 2025 and 2024.

Information is reported to the executive directors of the Company, being the chief operating decision maker (“**CODM**”) of the Group, for the purposes of resource allocation and performance assessment. The CODM reviews revenue by nature of revenue, i.e. (1) sale of networking, sound and communication systems and related services; (2) provision of integrated services of networking, sound and communication systems, includes installation and customisation of networking, sound and communication systems and technical support services; and (3) e-commerce operation. The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other operating segments. The Group currently has two operating segments:

- a) Sale and provision of integrated services of networking, sound and communication systems, which includes points (1) and (2) as mentioned above; and
- b) E-commerce operation, which mainly includes sales of consumer products on e-commerce platforms.

Segment (loss)/profit represents the (loss incurred)/profit earned by each segment without allocation of certain administration costs, directors' emoluments, other income, other (losses)/gain, share-based payment expenses, finance costs and income tax expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenue and results for the six months ended 31 December 2025 and 2024:

	Six months ended 31 December 2025				Six months ended 31 December 2024			
	Sale and provision of integrated services of networking, sound and communication systems in Singapore RMB'000	Sale and provision of integrated services of networking, sound and communication Systems in the PRC RMB'000	E-commerce operation RMB'000	Total RMB'000	Sale and provision of integrated services of networking, sound and communication systems in Singapore RMB'000	Sale and provision of integrated services of networking, sound and communication Systems in the PRC RMB'000	E-commerce operation RMB'000	Total RMB'000
Gross segment revenue	33,328	9,144	13,546	56,018	22,402	15,220	104,473	142,095
Inter-segment revenue	-	-	-	-	-	-	-	-
<b>Revenue</b>	<b>33,328</b>	<b>9,144</b>	<b>13,546</b>	<b>56,018</b>	<b>22,402</b>	<b>15,220</b>	<b>104,473</b>	<b>142,095</b>
Timing of revenue recognition								
At a point in time	30,924	5,410	13,546	49,880	14,977	11,913	104,473	131,363
Over time	2,404	3,734	-	6,138	7,425	3,307	-	10,732
	33,328	9,144	13,546	56,018	22,402	15,220	104,473	142,095
<b>Segment results</b>	<b>5,787</b>	<b>(2,717)</b>	<b>(4,865)</b>	<b>(1,795)</b>	<b>1,439</b>	<b>515</b>	<b>(5,441)</b>	<b>(3,487)</b>
Other income				182				167
Other (losses) gain, net				926				(148)
Unallocated depreciation				(221)				-
Unallocated expenses				(3,317)				(4,464)
Finance costs				(504)				(2,345)
Income tax expense				(580)				(16)
<b>Loss for the period</b>				<b>(5,309)</b>				<b>(10,293)</b>
<b>Segment results include:</b>								
Reversal of (provision for) allowance for expected credit loss of trade receivables	36	733	(293)	476	195	203	(251)	147
Depreciation	(878)	(2)	(640)	(1,520)	(466)	(4)	(843)	(1,313)

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

An analysis of the Group's revenue is as follows:

	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<hr/>		
<i>At a point in time:</i>		
Sale of networking, sound and communication systems	36,334	26,890
E-commerce	13,546	104,473
 <i>Over time:</i>		
Integrated networking, sound and communication systems	6,138	10,732
	<hr/>	
	56,018	142,095
	<hr/>	

### Information about the Major Customers

During the Relevant Period and for the six months ended 31 December 2025, external customers contributing over 10% of total revenue of the Group are as follows:

	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<hr/>		
Customer I	—*	74,973
	<hr/>	

\* *Note: Customer I does not have revenue contributing over 10% of total revenue of the Group in the six months ended 31 December 2025*

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### Segment assets and liabilities

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
<b>Segment assets</b>		
Sale and provision of integrated services of networking, sound and communication systems in Singapore	88,973	90,662
Sale and provision of integrated services of networking, sound and communication systems in the PRC	13,584	13,882
E-commerce operation	25,487	31,945
<b>Total segment assets</b>	<b>128,044</b>	<b>136,489</b>
Unallocated corporate assets		
– Property, plant and equipment	371	665
– Deposits and other receivables	912	909
– Cash and cash equivalents	184	169
<b>Total assets</b>	<b>129,511</b>	<b>138,232</b>
<b>Segment liabilities</b>		
Sale and provision of integrated services of networking, sound and communication systems in Singapore	(7,982)	(11,644)
Sale and provision of integrated services of networking, sound and communication systems in the PRC	(11,725)	(9,906)
E-commerce operation	(40,692)	(44,097)
<b>Total segment liabilities</b>	<b>(60,399)</b>	<b>(65,647)</b>
Unallocated corporate liabilities		
– Other payables	(12,202)	(7,051)
– Lease liabilities	(450)	(675)
– Borrowings	(2,241)	(2,537)
<b>Total liabilities</b>	<b>(75,292)</b>	<b>(75,910)</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### Geographical information

Information by geographical location on the Group's revenue from customers and non-current assets, comprising property, plant and equipment, goodwill and non-current deposits, are detailed below:

#### a) Revenue from external customers

	Six months ended 31 December	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Singapore	29,640	20,490
The PRC	19,672	119,693
Malaysia	6,706	–
Others	–	1,912
	<b>56,018</b>	<b>142,095</b>

#### b) Non-current assets

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
	Singapore	22,500
The PRC	1,710	2,283
Malaysia	2,604	–
Others	583	3,713
	<b>27,397</b>	<b>29,407</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 4. OTHER INCOME AND OTHER GAINS (LOSSES), NET

	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Government grants	8	29
Interest income	101	111
Others	73	27
	<b>182</b>	<b>167</b>
Net foreign exchange gain/(loss)	964	(115)
Write-off of trade receivables	(21)	-
Loss on disposal of plant, property, and equipment	(14)	(33)
Others	(3)	-
	<b>926</b>	<b>(148)</b>

## 5. FINANCE COSTS

	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<i>Interest on:</i>		
Bank and other borrowings	419	2,261
Lease liabilities	85	84
	<b>504</b>	<b>2,345</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 6. LOSS BEFORE TAXATION

Loss before income tax is arrived at after charging:

	Six months ended 31 December	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Expense relating to short-term leases	258	229
Depreciation of property, plant and equipment	1,741	1,313
Directors' remuneration	6,021	5,407
Other staff costs		
– Salaries, wages and other benefit	14,103	13,999
– Defined contribution plans, including retirement benefits	1,485	1,304
– Foreign worker levy and skill development levy	620	434
Total staff costs (inclusive of Directors' remuneration) ( <i>Note a</i> )	22,229	21,144
Cost of materials recognised as costs of sales/services	31,027	95,341
Subcontractor costs recognised as costs of sales/services	1,523	3,051
Provision for obsolescence inventories in costs of sales/services	(1,634)	(403)

*Note:*

- a. For the Relevant Period, staff costs of approximately RMB5,564,000 (period ended 31 December 2024: approximately RMB5,016,000) is included in costs of sales/services.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 7. INCOME TAX EXPENSE

For the Relevant Period, Singapore corporate income tax has been provided at the rate of 17% (six months ended 31 December 2024: 17%) and the PRC enterprise income tax has been provided at the rate of 25% (six months ended 31 December 2024: 25%). A breakdown of the income tax expenses is as follows:

	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax expense		
– Singapore corporate income tax	571	(155)
– PRC Enterprise income tax	9	174
Deferred tax	–	(3)
	580	16

## 8. LOSSES PER SHARE

	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company	(3,315)	(7,912)
Weighted average number of ordinary shares (Note)	1,046,628,000	1,046,628,000
Basic and diluted losses per share (RMB cents per share)	(0.32)	(0.76)

*Note:* The calculation of basic losses per share is based on the losses for the period attributable to owners of the Company and the weighted average number of ordinary shares in issue.

The computation of diluted loss per share for the period ended 31 December 2025 did not assume the exercise of the Company's outstanding share options since it would result in a decrease in the loss per share (31 December 2024: Same). The computation of diluted loss per share during the period ended 31 December 2025 also did not assume the exercise of the share award because the issuance of shares in relation to the share award scheme has antidilutive effect to the basic loss per share. The resulting number of shares issued and held by the trustee during the year is not included in the weighted average number of ordinary shares as the denominator for calculating basic loss per share for the period ended 31 December 2025. Therefore, the amount of diluted loss per share is the same as the amount of basic loss per share during the periods ended 31 December 2025 and 2024.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 9. DIVIDENDS

No dividends have been proposed or paid by the Company or any of its subsidiaries during the Relevant Period (six months ended 31 December 2024: nil).

## 10. PROPERTY, PLANT AND EQUIPMENT

During the Relevant Period, the Group acquired equipment amounting to approximately RMB568,000 (six months ended 31 December 2024: RMB13,000).

	Computers RMB'000	Office equipment RMB'000	Furniture, fixtures and fittings RMB'000	Motor vehicles RMB'000	Leasehold land and property RMB'000	Right- of-use assets RMB'000	Total RMB'000
<b>Cost:</b>							
At 1 July 2024	797	362	1,003	1,426	26,468	5,964	36,020
Disposal	(43)	-	-	-	-	(1,902)	(1,945)
Additions	44	26	143	-	-	2,414	2,627
Additions from acquisition of a subsidiary	2,404	4	37	-	-	-	2,445
Exchange realignment	87	18	54	86	1,328	8	1,581
<b>At 30 June 2025 and 1 July 2025</b>	<b>3,289</b>	<b>410</b>	<b>1,237</b>	<b>1,512</b>	<b>27,796</b>	<b>6,484</b>	<b>40,728</b>
Additions	84	-	-	484	-	-	568
Disposal	-	-	-	(215)	-	-	(215)
Written off	(321)	-	-	-	-	-	(321)
Exchange differences	(17)	(4)	(20)	(38)	(941)	(28)	(1,048)
<b>At 31 December 2025</b>	<b>3,035</b>	<b>406</b>	<b>1,217</b>	<b>1,743</b>	<b>26,855</b>	<b>6,456</b>	<b>39,712</b>
<b>Accumulated depreciation:</b>							
At 1 July 2024	742	328	945	1,009	4,515	2,502	10,041
Depreciation for the year	268	18	59	121	475	2,257	3,218
Disposal	(9)	-	-	-	-	(1,902)	(1,911)
Exchange realignment	28	16	50	60	243	7	404
<b>At 30 June 2025 and 1 July 2025</b>	<b>1,049</b>	<b>362</b>	<b>1,054</b>	<b>1,190</b>	<b>5,233</b>	<b>2,864</b>	<b>11,752</b>
Depreciation for the period	309	11	41	78	241	1,061	1,741
Disposal	-	-	-	(167)	-	-	(167)
Written off	(321)	-	-	-	-	-	(321)
Exchange differences	23	(25)	(33)	(34)	(182)	(11)	(262)
<b>At 31 December 2025</b>	<b>1,060</b>	<b>348</b>	<b>1,062</b>	<b>1,067</b>	<b>5,292</b>	<b>3,914</b>	<b>12,743</b>
<b>Carrying amount:</b>							
<b>At 31 December 2025</b>	<b>1,975</b>	<b>58</b>	<b>155</b>	<b>676</b>	<b>21,563</b>	<b>2,542</b>	<b>26,969</b>
At 30 June 2025	2,240	48	183	322	22,563	3,620	28,976

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following useful lives after taking into account the residual values:

Computers	-	1 year
Office equipment	-	3 years
Furniture, fixtures and fittings	-	3 years
Motor vehicles	-	6 years
Leasehold land and property	-	Over the lease term, which is 680 months
Right-of-use assets	-	Over the lease terms, which ranges from 24 to 48 months

As at 31 December 2025, leasehold land and property were pledged to a bank for a bank borrowing (Note 17) (30 June 2025: Same).

### The Group as a lessee

The Group has entered into lease contracts for various office premises used in its operations. Leases of office premises generally have lease terms between 2 and 4 years (30 June 2025: 2 and 3 years). The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include termination options which the directors of the Company considered reasonably certain not to exercise.

The Group has also entered into certain leases of office premises with lease terms of 12 months or less and leases of office equipment and dormitories with low value. The Group applies the "short-term lease" and "lease of low-value assets" recognition exemptions for these leases.

As at 31 December 2025 and 30 June 2025, lease commitments for the Group for short-term leases are as follows:

	<b>As at 31 December 2025 RMB'000 (Unaudited)</b>	<b>As at 30 June 2025 RMB'000 (Audited)</b>
Within one year	<b>797</b>	<b>326</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### The Group as a lessee (Continued)

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Carrying amount at 1 July 2025 and 2024	3,714	3,496
New leases	–	2,414
Accretion of interest recognised during the year	85	201
Payments	(1,180)	(2,403)
Exchange realignment	–	6
Carrying amount at the end of the reporting period	2,619	3,714
Lease liabilities payable:		
– Within one year	1,851	2,107
– Within a period of more than one year but not exceeding two years	768	1,522
– Within a period of more than two years but not exceeding five years	–	85
Total lease liabilities	2,619	3,714
Less: Amounts due for settlement within twelve months from the end of the reporting period (shown under current liabilities)	(1,851)	(2,106)
Amounts due for settlement after twelve months from the end of the reporting period (shown under non-current liabilities)	768	1,608

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### The Group as a lessee (Continued)

The followings are the amounts recognised in the unaudited condensed consolidated profit or loss:

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Depreciation expense of right-of-use assets (as per above)	1,061	2,257
Interest expenses on lease liabilities (Note 5)	85	201
Expense relating to short-term leases	258	487
	<b>1,404</b>	<b>2,945</b>
	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Within financing cash flow – fixed payments	1,180	2,403
Within operating cash flow – expenses relating to short-term lease	258	487
Total cash outflow for leases	<b>1,438</b>	<b>2,890</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 11. GOODWILL

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
<b>Cost:</b>		
At the beginning of the period/year	74	901
Additions from acquisition of a subsidiary	–	74
Provision for impairment of goodwill	–	(902)
Exchange realignment	–	1
At the end of the period/year	<b>74</b>	<b>74</b>

## 12. INVENTORIES

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Finished goods	<b>23,431</b>	<b>23,075</b>

During the Relevant Period, provision of slow-moving and obsolescence inventories of approximately RMB1,634,000 (30 June 2025: approximately RMB403,000 of provision for stock obsolescence was written back). This was recognised in cost of sales services.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 13. TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

As of the end of the reporting period, the aging analysis of trade receivables (which are included in trade and other receivables), based on the invoice date, is as follows:

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Trade receivables, gross	23,954	18,271
Less: Allowance for ECL	(1,922)	(2,373)
Trade receivables, net <i>(Note (a))</i>	<b>22,032</b>	15,898
Deposits <i>(Note)</i>	2,316	2,749
Prepayments	4,718	7,222
Other receivables	2,279	1,773
Advances to staff	298	–
	<b>9,611</b>	11,744
Less: amount classified as non-current – rental deposits on lease agreement expiring after one year <i>(Note)</i>	(141)	(144)
Current portion	<b>9,470</b>	11,600

*Note:* As at 31 December 2025, the deposits balance mainly consist of deposits paid for lease agreements in the PRC and Hong Kong and deposits paid to online platform providers to become merchants of e-shop or e-channel (30 June 2025: same).

During the six months ended 31 December 2025, the Group granted credit terms to its customers in the segment of sale and provision of integrated services of networking, sound and communication systems typically between 30 to 180 days (30 June 2025: 30 to 180 days). For the e-commerce operation, no credit term (30 June 2025: nil) is granted to individual customers and relevant trading or settlement platform for online sale, while the Group generally grants credit terms ranging from 15 to 180 days (30 June 2025: 15 to 180 days) to those corporate customers with good credit records. The Group does not charge interest nor hold any collateral over these balances.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 13. TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

The ECL on trade receivables is measured at an amount equal to lifetime ECL. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The following table details the risk profile of trade receivables from contracts with customers based on the Group's provision matrix which is derived from the aging based on past due days.

31 December 2025 (Unaudited)	Group Trade receivables – days past due						Total RMB'000
	Not yet past due	< 30 days	31 – 90 days	91 – 180 days	181 – 365 days	>365 days	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Effective ECL rate	0%	4%	7%	15%	37%	100%	
Trade receivables, gross	10,346	8,917	1,263	975	1,465	988	23,954
Lifetime ECL	-	(158)	(88)	(146)	(542)	(988)	(1,922)
							22,032

30 June 2025 (Audited)	Group Trade receivables – days past due						Total RMB'000
	Not yet past due	< 30 days	31 – 90 days	91 – 180 days	181 – 365 days	>365 days	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Effective ECL rate	0%	4%	7%	15%	37%	100%	
Trade receivables, gross	5,863	3,336	2,481	3,629	2,303	659	18,271
Lifetime ECL	(16)	(120)	(181)	(556)	(842)	(658)	(2,373)
							15,898

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 13. TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

The table below shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9.

	Lifetime ECL – credit-impaired	
	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Balance as at 1 July 2025 and 2024 (Reversal of)/provision for allowance for ECL on trade receivables	2,373 (476)	992 1,375
Exchange realignment	25	6
Balance as at 31 December 2025 and 30 June 2025	1,922	2,373

## 14. CONTRACT ASSETS AND CONTRACT LIABILITIES

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
<b>Contract assets</b>		
Retention receivables	2,211	2,275
<b>Contract liabilities</b>		
Advance billing to customer	6,174	6,021

### Contract Assets

The contract assets include retention receivables which represent monies withheld by customers of contract works that will be released after the end of warranty period of the relevant contracts, and are classified as current as they are expected to be received within the Group's normal operating cycle. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it becomes unconditional and is invoiced to the customer.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 14. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

### Contract Liabilities

Contract liabilities are arising from sale and provision of integrated services of networking, sound and communication systems business. The Group typically receives a deposit from customers when they sign the contracts with the Group.

## 15. BANK BALANCES AND CASH

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Bank balances and cash ( <i>Note</i> )	44,970	55,977

*Note:* Bank balances carry interest at floating rates based on daily bank deposit rate. The bank balances are deposited with creditworthy banks with no recent history of default. As at 31 December 2025, there was approximately RMB2,482,000 (30 June 2025: RMB5,866,000) denominated in RMB and deposited with banks in the PRC. RMB is not freely convertible into other currencies, however, under Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations in the PRC, the Group is permitted to exchange RMB for other currencies through authorised banks to conduct foreign exchange business.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 16. TRADE AND OTHER PAYABLES

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Trade payables ( <i>Note</i> )	12,711	7,643
Other taxes payable	898	792
Accrued operating expenses	7,227	6,984
Accrued payroll costs	5,724	4,090
Amount due to a director of the Company	6,340	4,296
	<b>32,900</b>	<b>23,805</b>

*Note:*

The credit period on purchases from suppliers and subcontractors is between 30 to 60 days (30 June 2025: 30 to 60 days) or payable upon delivery (30 June 2025: Same).

The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Within 30 days	7,402	3,756
31 to 90 days	769	2,016
91 to 180 days	2,707	618
Over 180 days	1,833	1,253
	<b>12,711</b>	<b>7,643</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 17. BORROWINGS

	As at 31 December 2025 RMB'000 (Unaudited)	As at 30 June 2025 RMB'000 (Audited)
Bank borrowings – Secured ( <i>Note (a)</i> )	26,192	31,798
Bank borrowings – Unsecured ( <i>Note (b)</i> )	188	3,255
Other borrowings ( <i>Note (c)</i> )	6,239	6,294
	<b>32,619</b>	41,347
Carrying amount repayable within 1 year	16,279	24,186
Carrying amount repayable over 1 year but within 2 years	15,804	13,286
Carrying amount repayable over 2 years but within 5 years	536	3,875
	<b>32,619</b>	41,347
Less: Amount due within 1 year (shown under current liabilities)	<b>(16,279)</b>	(24,186)
Amount shown under non-current liabilities	<b>16,340</b>	17,161

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 17. BORROWINGS (CONTINUED)

*Notes:*

- (a) As at 31 December 2025, the balances include,

Two secured bank borrowings with carrying amounts of RMB11,547,000 (30 June 2025: RMB11,673,000) in aggregate which was interest bearing at 2.85% (30 June 2025: 2.85%) per annum and repayable in May 2027 (2024: May 2026). These borrowings were guaranteed by Mr. Cao's spouse and a residential property of Mr. Cao (30 June 2025: Same).

A secured term loan with carrying amount of approximately S\$471,000 (equivalent to approximately RMB2,561,000) (30 June 2025: S\$559,695 (equivalent to approximately RMB3,150,000)) which bear fixed interest rates with weighted average effective interest rate at 3.98% (30 June 2025: 3.98%) per annum. The borrowing was secured by the Group's leasehold land and property with carrying amount of approximately RMB21,563,000 (30 June 2025: RMB22,563,000) and corporate guarantee provided by the Company (30 June 2025: Same). The loan has a term of 15 years which is repayable by instalment and the final maturity date of the loan will be due on 11 June 2028.

Two secured bank borrowings with carrying amount of approximately RMB5,884,000 (30 June 2025: two secured bank borrowing with carrying amount of approximately RMB5,916,000) with interest rate ranging from 1.5% to 2.5% (30 June 2025: 1.50% to 2.50%) per annum and repayable within one year from drawdown date. These borrowings are guaranteed by a PRC financing guarantee company, an independent third party of the Company.

Three secured bank borrowings with carrying amount of RMB5,600,000 (30 June 2025: RMB9,600,000) with interest rate ranging from 2.35% to 3.80% (30 June 2025: 2.35% to 3.80%) per annum and repayable within one year from drawdown date. These borrowings are guaranteed by a director of a subsidiary of the Company.

Three secured bank borrowings with carrying amount of RMB600,000 (30 June 2025: six secured bank borrowing with carrying amount of RMB1,460,000) with interest rate of 3.00% (30 June 2025: 1.8% to 4.83%) per annum and repayable within one year from drawdown date. These borrowings are guaranteed by a director of a subsidiary of the Company.

- (b) As at 31 December 2025, balance represents one (30 June 2025: two) unsecured bank borrowings which bear interest at rates of 6.51% (30 June 2025: 3.00% and 6.51%) per annum and repayable in March 2028.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 17. BORROWINGS (CONTINUED)

Notes: (Continued)

- (c) The Group entered into a receivable transfer arrangement (the “**Arrangement**”) with one (30 June 2025: one) financial institutions in the PRC to transfer existing or future trade receivables of a customer with full recourse to the financial institution for financing purpose. In the event of default by the customer, the Group is obliged to pay the financial institution the amount in default. The proceeds of the Arrangement were included in borrowings as asset-backed financing until the trade debts were collected or the Group settled any losses suffered by the financial institution. As at 30 June 2025, carrying amount of proceeds received under the Arrangement is amounting to approximately RMB1,375,000 (30 June 2025: RMB1,756,000) with interest rate ranging from 7.04% to 7.84% (30 June 2025: 8.5% to 9.0%) per annum and repayment in March 2026 (30 June 2025: September 2025).

Other borrowings also include two (30 June 2025: two) unsecured other borrowing with carrying amount of RMB2,000,000 and HKD2,494,000 (equivalent to approximately RMB2,241,000) (30 June 2025: RMB2,538,000) with interest rate of 8.0% and 6.0% (30 June 2025: 8.0% and 6.0%) per annum and repayable in March 2026 and 2027.

## 18. DEFERRED TAX LIABILITIES

	<b>As at</b>	As at
	<b>31 December</b>	30 June
	<b>2025</b>	2025
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
Balance as at 1 July 2025 and 1 July 2024	<b>37</b>	37
Credited to profit or loss for the period/year:	-	(2)
Exchange Realignment	<b>(2)</b>	2
Balance as at 31 December 2025 and 30 June 2025	<b>35</b>	37

The deferred tax liabilities resulted from temporary taxable differences arising from accelerated depreciation in relation to capital allowance claims on qualified assets in accordance with prevailing tax laws in Singapore.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 19. SHARE CAPITAL

	Number of shares	The Company	
		Amount HK\$'000	Amount RMB'000
<hr/>			
Ordinary shares of HK\$0.01 each			
Authorised share capital:			
At 1 July 2024, 30 June 2025, 1 July 2025 and 31 December 2025	1,500,000,000	15,000	13,631
<hr/>			
	Number of shares	Amount RMB'000	
<hr/>			
Issued and paid-up:			
At 1 July 2024, 30 June 2025, 1 July 2025 and 31 December 2025	1,046,628,000		8,999
<hr/>			

Fully paid ordinary shares carry one vote per share and a right to dividends as and when declared by the Company.

# MANAGEMENT DISCUSSION AND ANALYSIS

## DEVELOPMENT OF BUSINESS AND PROSPECTS

Our principal businesses are:

- (i) provision of brand e-commerce operation services (digital marketing services, online agency operation services, online retailing and distribution services) in the PRC (the “**EC segment**”); and
- (ii) sale and provision of integrated services of networking, sound and communication systems and alert alarm system services (including the sale of networking, sound and communication systems, provision of integrated services of networking, sound and communication systems and alert alarm system services) to customers in Singapore, Malaysia and the PRC (the “**NSC segment**”).

For the six months ended 31 December 2025, (the “**Relevant Period**”), the Group recorded a net loss of approximately RMB5.3 million as compared to a net loss of approximately RMB10.3 million for the six months ended 31 December 2024. The Directors are of the view that the decrease in net loss was primarily caused by (i) the decrease in revenue contribution from sales and transaction volumes in EC segment as a result of ending of distributorship of one of our brands for the Relevant Period; (ii) the optimization of business operations of the Group’s EC segment lead to a decrease in selling and administrative expenses during the Relevant Period.

## OUTLOOK

### Outlook of E-commerce in the People’s Republic of China (the “**PRC**”)

#### *Overview of China’s Brand E-commerce Service Market*

Brand e-commerce operation refers to third-party services provided to brand owners, and mainly includes brand market analysis, marketing and promotion, online store operation, consumer management, customer service and warehousing logistics services, etc.

With professional operating experience, brand e-commerce operation service providers can help brand clients to promote brand culture and improve customer experience, carry out promotional activities through diversified online distribution channels to expand consumer base, and constantly optimise marketing strategies based on accurate consumer analysis, so as to ultimately enhance their brand influence.

# MANAGEMENT DISCUSSION AND ANALYSIS

As a link between brand owners, e-commerce platforms and consumers, brand e-commerce operation service providers create value for all parties in the industry chain. With the increasing importance of online sales channels, operation service providers have gradually built a dynamic and virtuous ecosystem with brand owners and e-commerce platforms.

Driven by the dual forces of the deepening global digital economy and China's brand globalization strategy, the brand e-commerce service provider industry has emerged as a core hub linking consumer markets with commercial growth. According to data from the 2025 China Branding E-Commerce Service Provider Industry Research Report released by iiMedia Research, the size of China's brand e-commerce service industry market reached RMB446.85 billion in 2024, representing a year-on-year increase of 9.6%. It is expected to surpass RMB586.23 billion by 2028, with the compound annual growth rate remaining at a high level.

With the diversification of brand owners' demands, the brand e-commerce service industry has gradually formed market segments across various dimensions. The rapid advancement of "5G+ Industrial Internet" infrastructure has significantly bolstered the digital transformation of platform services. As the e-commerce industry has been entering a new era of omni-channel development for brand e-commerce, the industry is also proactively adjusting its market strategies to establish omni-channel, full-link, and all-scenario service capabilities in a comprehensive way, aiming to help brands to expand their market reach more broadly, achieve more efficient commercial growth, and focus on the creation of long-term value.

## ***Prospect of the business of E-commerce Operation of the Company***

As at the date of this report, the Company continued to advance asset-light operating strategy by reducing online distribution services for asset-heavy brands and focusing on the development of brand online operation and marketing services. The Company continued to optimise categories and brands of e-commerce operation services, forming a service brand group with small appliance as the main category. Currently, brands and products that the Company is operating and has newly added include domestically and internationally renowned brands, such as Philips audio and video products, Skyworth water appliances, Changhong water appliances, FOTILE water purification appliances, Xiaoya washing machines, Xiaoni appliances, CHANGAN automobile, Beijing Hyundai, TOJOY Shared, Renhe, Miiow, Seven Star (七星), Sansui (山水), Malata (萬利達), and ASUS.

# MANAGEMENT DISCUSSION AND ANALYSIS

The Company will continue to take JD.com as its primary cooperative e-commerce platform, while persistently improving its development strategy with a focus on asset-light operations and an emphasis on service quality. As for brand expansion, the Company will consistently phase out asset-heavy brands and those with low operational efficiency, while introducing more asset-light brands and product series. Building upon this foundation, the Company will continuously optimize its operation team under the principle of “Efficiency First” to develop a high-efficiency and service-oriented team.

As a new growth driver for the e-commerce operation business, relevant business in Malaysia are progressing steadily and effectively. We have now established a comprehensive sales system encompassing channels, direct customers, and internal sales, achieving significant sales milestones along the way. With its Malaysia business mainly relying on e-commerce SaaS System of Youzan, the Company provides e-commerce systems to offline merchants, as well as construction and maintenance services to online merchants in Malaysia, thereby helping millions of Malaysia offline merchants to achieve online operation. The Company will also build localized online shopping mall, GOODNET, in Malaysia to offer comprehensive service of online traffic introduction and online operation for merchants on the basis of serving extensive base of merchants.

## ***Outlook of sale and provision of integrated services of networking, sound and communication systems solutions industry in Singapore and Malaysia***

As a developed country with an aging population, Singapore continues to face challenges such as the deepening impact of chronic disease and increasing utilisation of healthcare infrastructure. Being one of the countries in the Association of South East Asian Nation with the highest per capita healthcare expenditure, the Singapore’s Ministry of Health anticipates Singapore’s national health expenditure will increase to S\$43 billion by 2030. Therefore, we continue to monitor the public and private healthcare infrastructure plans in existing markets and participate in requests for proposal in both private and public tenders.

We continue to look for opportunities to collaborate with potential and existing customers to expand our sales pipeline through the introduction of cloud-based network solutions, and enhance both wired and wireless communication systems within healthcare institutions. During the Year, we expanded our product offerings to include medical beds and continue to explore potential integrations within our strong business network in Singapore.

# MANAGEMENT DISCUSSION AND ANALYSIS

We stand ready and are committed to serving our clients in the education, private healthcare and public housing sectors. Through iterative and constructive feedback from our stakeholders, we continue to create value for our clients through constant innovation and integration with existing or new systems to formulate the relevant solution to address the end-users' needs.

The Malaysian Hospital Market, valued at US\$6.8 billion in 2021, is anticipated to grow at a compound annual growth rate of 7.0% during the forecast period of 2023 to 2027. In potential growth markets such as Malaysia, we expect the rapid growth to require significant investments from both the public and private sectors, therefore, we continue to work closely with our strategic business partners across East and West Malaysia to promote our customised solutions to our clients serving the public and private healthcare sectors.

Although the global electronics downturn is likely to be protracted and costly to our operations, we continue to optimise utilisation of existing resources to continue capital efficient growth in our existing markets. In line with increased cost competitiveness in the network, sound and communication systems and solutions industry in Singapore and Malaysia, the Group will focus our resources on projects which will benefit the most to our stakeholders. We expect to retain our competitive edge in the Singapore market in the public and private healthcare sector and continue to grow our presence in other high growth markets such as Malaysia private healthcare sector.

In the face of macroeconomic challenges such as looming recession risks and higher interest rates, we believe that with our healthy level of project and maintenance pipeline, we are poised to continue to create and share value amongst the stakeholders in our industry chain by building mutually beneficial relationships.

# MANAGEMENT DISCUSSION AND ANALYSIS

## *Outlook of sale and provision of integrated services of networking, sound and communication systems in the PRC*

As China continues to advance the construction of a “Digital China,” the digital economy and digital infrastructure have become crucial pillars for its medium- to-long-term economic growth. According to the White Paper on the Development of Digital Economy (2024) (《數字經濟發展白皮書(2024)》) released by the China Academy of Information and Communications Technology (CAICT), the scale of China’s digital economy has exceeded RMB60 trillion, accounting for over 40% of its gross domestic product (GDP). Digital infrastructure is gradually evolving from supportive investment to a strategic base. In this context, China continues to promote the construction of new infrastructure represented by the “integrated big data center system (一體化大數據中心體系)” and “east-to-west computing resource transfer (東數西算)” to drive steady growth in computing power resources and data center demand. According to the China Data Center Market Tracking and Forecast Report (《中國數據中心市場跟蹤與預測報告》) released by International Data Corporation (IDC), the size of China’s IDC market continues to grow rapidly and is expected to maintain robust momentum in the coming years, with data center construction increasingly prioritizing high reliability, energy efficiency and industry-specific applications.

In terms of industry applications, according to relevant policy documents issued by the National Development and Reform Commission and the Ministry of Industry and Information Technology regarding promoting the digital transformation of transportation infrastructure, railway and other transportation infrastructure are accelerating the consolidation of information systems, centralization of data resources and intelligent upgrading of business systems, thereby continuously driving the demand for data centers, network systems and supporting equipment and services.

The Company has long focused on Chinese state-owned enterprises, particularly customers in the railway industry. Our business direction is highly aligned with the construction of national digital infrastructure and the digital upgrading of the railway industry, and we have stable customers and significant industry influence. During the reporting period, the Company has secured more than ten domestic and overseas network system integration contracts, including the East Coast Rail Link (ECRL) in Malaysia project, the China-Laos Railway project and the equipment, technical services and maintenance services for the Information Center of the National Railway Administration of the People’s Republic of China.

# MANAGEMENT DISCUSSION AND ANALYSIS

In the future, the Company will focus on the construction and operation maintenance needs of data centers in the railway industry, continue to deepen the layout of equipment and service capabilities, and steadily expand related business opportunities, in order to consolidate the foundation for long-term and sustainable development in the Chinese railway industry under the background of continuous digitalization of the industry.

## FINANCIAL REVIEW

### Revenue

Our revenue decreased to approximately RMB56.0 million for the Relevant Period by approximately RMB86.1 million or 60.6%, from approximately RMB142.1 million for the six months ended 31 December 2024. This was principally due to the decreased revenue contribution from sales and transaction volumes in EC segment as a result of ending of distributorship of one of our brands for the Relevant Period.

### Costs of sales/services

Our costs of sales/services decreased to approximately RMB36.5 million for the Relevant Period by approximately RMB66.5 million or 64.6%, from approximately RMB103.0 million for the six months ended 31 December 2024. The substantial decrease in costs was due to the decreases in materials and inventories delivered to customers in the PRC which were in line with the decrease in revenues from EC segment in the PRC during the Relevant Period.

### Gross profit

Our gross profit decreased to approximately RMB19.5 million for the Relevant Period by approximately RMB19.6 million or 50.0%, from approximately RMB39.1 million for the six months ended 31 December 2024. The decrease in gross profit was largely driven by reduced sales transactions and volumes in our EC Segment during the Relevant Period. The Group's gross profit margin increased from 27.5% for the six months ended 31 December 2024 to 34.9% for the Relevant Period. The increase in gross profit margin was mainly due to rationalisation of brand offerings to our customers within EC segment during the Relevant Period.

# MANAGEMENT DISCUSSION AND ANALYSIS

## **Other gains (losses), net**

During the Relevant Period, other gains recorded the amount of approximately RMB926 thousands, net increased by approximately RMB1,074 thousands or 725.7%, from other losses of approximately RMB148 thousands for the six months ended 31 December 2024. The increase of gains was mainly attributable to increase of foreign exchange gains on the payments made in the course of operations in Singapore and Malaysia during the Relevant Period.

## **Selling and administrative expenses**

The selling and administrative expenses decreased by approximately RMB22.4 million or 72.1% from approximately RMB31.1 million for the period ended 31 December 2024 to approximately RMB8.7 million for the Relevant Period. The significant decrease was mainly due to the decrease related to the rationalisation of brand offerings within the operations of the Group's EC segment in the PRC.

## **Selling and administrative staff costs**

Payroll expenses increased by approximately RMB0.6 million or 3.3%, from approximately RMB16.1 million for the period ended 31 December 2024, to approximately RMB16.7 million for the Relevant Period. The slight increase was mainly attributed increased in payroll costs of approximately RMB0.6 million related to Group's EC segment in Malaysia due to the hiring of sales and operational personnel.

## **Finance costs**

Our finance costs decreased to approximately RMB0.5 million for the Relevant Period, by approximately RMB1.8 million or 78.5%, from approximately RMB2.3 million for the six months ended 31 December 2024. The decrease was mainly due to the decrease in borrowings to fund the purchase of material and goods within the EC segment in the PRC during the Relevant Period.

# MANAGEMENT DISCUSSION AND ANALYSIS

## **Income tax expense**

Our income tax expense increased to approximately RMB580 thousands for the Relevant Period, by approximately RMB580 thousands or 35.3 times, from approximately RMB16 thousands for the six months ended 31 December 2024. The increase was primarily due to an increase in taxable profits in the Group's NSC segment in Singapore for the Relevant Period.

## **Loss and other comprehensive loss for the period attributable to the owners of the Company**

For the Relevant Period, the Group recorded a net loss for the period attributable to owners of the Company of approximately RMB3.2 million as compared to a net loss for the period attributable to owners of the Company of approximately RMB7.9 million for the six months ended 31 December 2024. The decrease in loss was mainly attributable to the decrease of gross profit earned from the rationalisation of business operations of the Group's EC segment for the Relevant Period.

## **Interim dividends**

The Board does not recommend the payment of an interim dividend for the Relevant Period (six months ended 31 December 2024: nil).

# MANAGEMENT DISCUSSION AND ANALYSIS

## Use of proceeds from listing of shares of the Company and comparison of business objectives with actual business progress

Up to 31 December 2025, the net proceeds raised from the listing of shares of the Company were utilised in accordance with the designated uses set out in the prospectus issued by the Company on 29 December 2017 (the “**Prospectus**”), the supplemental announcement issued on 31 July 2020 (the “**Supplemental Announcement**”), and the announcement in relation to further change in use of net proceeds issued on 6 September 2023 as follows:

Description	Amount designated in the Prospectus HK\$ million	Net movement designated in the announcement dated on 6 September 2023	Revised allocation of the total net proceeds as at 31 December 2025	Actual use of proceeds as at 31 December 2025	Unutilised amount as at 31 December 2025	% utilised as at 31 December 2025	Expected date to fully utilise the unutilised amount
		HK\$ million (Note)	HK\$ million	HK\$ million	HK\$ million	%	
Strengthen our marketing efforts in the sound and communication industry in Singapore	1.4	1.5	2.9	2.2	0.7	75.9%	30 June 2026
Expand and train our sales and marketing, technical and support workforce	11.6	9.0	20.6	19.4	1.2	94.2%	30 June 2026
Purchase transportation vehicles	3.0	Nil	3.0	2.0	1.0	66.7%	30 June 2026
Setting up of a new sales office in Singapore	10.0	(8.0)	2.0	1.5	0.5	75.0%	30 June 2026
Partial repayment of bank loan	10.0	Nil	10.0	10.0	Nil	100.0%	N/A
Resources for the provision of performance bonds	2.0	Nil	2.0	2.0	Nil	100.0%	N/A
Take steps to obtain higher grade level under our current mechanical and electrical workhead	2.5	(2.5)	Nil	Nil	Nil	0.0%	N/A
General working capital and general corporate purposes	3.5	Nil	3.5	3.5	Nil	100.0%	N/A
<b>Grand total</b>	<b>44.0</b>	<b>Nil</b>	<b>44.0</b>	<b>40.6</b>	<b>3.4</b>	<b>92.3%</b>	

### Note:

Net movement amount is calculated as the revised use of remaining balance of the unutilized net proceeds minus the unutilized amount of net proceeds as stated in the announcement of the Company dated 6 September 2023.

# MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the designated and actual implementation plan up to 31 December 2025:

Purpose	Implementation Plan	Actual implementation activities
Strengthen our marketing efforts in the sound and communication industry in Singapore	<ul style="list-style-type: none"> <li>• Implement corporate branding and identity for our sound and communication services solution operations in Singapore which includes printing of marketing materials and advertisement</li> <li>• Maintain and improve our corporate websites by the external consultant for customised website development</li> <li>• Participate in industry trade show(s)</li> </ul>	<ul style="list-style-type: none"> <li>• Maintained and improved our corporate websites, by using in-house resources to develop and maintain the Group's website instead of engaging external website designers</li> <li>• Considered the current project tender</li> <li>• Sought more opportunities to conduct new trade shows to further reach out to potential customers in healthcare industry in Singapore</li> </ul>
Expand and train our sales and marketing, technical and support workforce	<ul style="list-style-type: none"> <li>• Staff cost for retaining the approximately one project manager, two engineers and 10 technicians to be recruited by February 2018, and the associated staff accommodation costs</li> <li>• Staff cost for retaining the approximately one sales manager, two sales and marketing executives and 10 technicians to be recruited by July 2018, and taking into account potential increase in wage level, and the associated staff accommodation costs</li> <li>• To provide internal and external trainings and workshops to our sales and technical staff</li> </ul>	<ul style="list-style-type: none"> <li>• New headcount of 8 engineers and 25 technicians were recruited as at 31 December 2025</li> <li>• New headcount of 2 sales and marketing executives, 1 marketing manager and 1 sales manager were recruited as at 31 December 2025</li> <li>• Provided internal and external trainings and workshops to our technical staff</li> <li>• In the process to seek suitable candidates to the remaining positions</li> </ul>

# MANAGEMENT DISCUSSION AND ANALYSIS

Purpose	Implementation Plan	Actual implementation activities
Purchase transportation vehicles	<ul style="list-style-type: none"> <li>• Purchase of three van for maintenance operations and, transportation of relevant equipment and/or labour</li> <li>• Purchase of two lorries for delivery and transportation of larger equipment and/or labour</li> </ul>	<ul style="list-style-type: none"> <li>• Purchased of three vans for maintenance operations and, transportation of relevant equipment and/or labour</li> <li>• Considered and monitored Group's current project portfolio but postponed the purchase of two vans due to current different project requirements</li> </ul>
Setting up a new sales office in Singapore	<ul style="list-style-type: none"> <li>• Purchase of one new property to be used by our sales and contract department and act as a demonstration facility for our sound and communication systems</li> </ul>	<ul style="list-style-type: none"> <li>• Considered and monitored the Group's project tenders and plan was postponed due to current observed industry customers' requirements and the property prices in Singapore were surged up higher than expected which the Group requires additional time to identify the suitable premises in order to meet the Group's financial budget</li> <li>• The Group revised the use of net proceeds for renovation of new sales office space</li> </ul>
Partial repayment of bank loan	<ul style="list-style-type: none"> <li>• Partial repayment for the bank loan in relation to the mortgage loan secured for the purchase of our head office in Singapore</li> </ul>	<ul style="list-style-type: none"> <li>• The mortgage loan was partially repaid on 11 July 2018</li> </ul>
Expansion of our sound and communication services solution business	<ul style="list-style-type: none"> <li>• To explore, evaluate and tender for potential integrated services of sound and communication systems projects in Singapore, particularly larger scale projects which may be required for the provision of performance bonds</li> </ul>	<ul style="list-style-type: none"> <li>• Postponed due to performance bond not required in recent awarded tenders to the Group</li> <li>• In the process of exploring large scale potential projects which requires the provision of performance bonds</li> </ul>
Take steps to obtain higher grade level under our current mechanical and electrical workload	<ul style="list-style-type: none"> <li>• Satisfy the minimum financial requirements for "L6" grade under our current mechanical and electrical workload</li> </ul>	<ul style="list-style-type: none"> <li>• Considered and monitored the Group's project portfolio and considered adverse impacts on Singapore economy, the unutilized amount were reallocated to other categories</li> </ul>

# MANAGEMENT DISCUSSION AND ANALYSIS

The net proceeds raised from the listing of the shares of the Company on GEM of the Stock Exchange, after deducting the related expenses, were approximately HK\$44.0 million.

The unutilised balance of net proceeds of each designated uses set out above is expected to be fully utilised by 30 June 2026. Please refer to the announcements of the Company dated 31 July 2020 and 6 September 2023 for the details of the delay in the use of the net proceeds and change in the use of proceeds, respectively.

The expected timeline for fully utilise the unutilised proceeds disclosed above is based on the best estimation from the Board with latest information as at the date of this report. The Board confirms that the Group continues to be invited for tender and be awarded projects from its customers during the relevant periods and therefore considers that the delay in use of proceeds and business expansion does not have any material adverse impacts on the operation of the Group. The Board will continue closely monitoring the situation and evaluate the impacts on the timeline to utilise the unutilised proceeds and will keep shareholders and potential investors informed if there are any material changes.

## Use of proceeds from the placing of new shares of the Company and comparison of business objectives with actual business progress

The net proceeds raised from the placing of new shares under General Mandate first announced on 6 October 2023 and completed on 31 October 2023 (the “Placing”) amounted to approximately HK\$28.2 million.

	HK\$ million	Approximate percentage of allocation
(i) Expand its suite of integrated service and systems	8.5	30.0%
(ii) Develop new markets in Asia	5.6	20.0%
(iii) Repay certain outstanding indebtedness of the Group	8.5	30.0%
(iv) General working capital of the Group	5.6	20.0%
<b>Total</b>	<b>28.2</b>	<b>100.0%</b>

# MANAGEMENT DISCUSSION AND ANALYSIS

Actual use of proceeds as at 31/12/2025	HK\$ million	% utilised as at 31 December 2025	Expected timeline to fully utilise the unutilised amount <i>(Note)</i>
(i) Expand its suite of integrated service and systems	8.5	100.0%	N/A
(ii) Develop new markets in Asia	4.0	71.4%	30/6/2026
(iii) Repay certain outstanding indebtedness of the Group	8.5	100.0%	N/A
(iv) General working capital of the Group	5.6	100.0%	N/A
<b>Total</b>	<b>26.6</b>	<b>94.3%</b>	

*Note:* The expected timeline for fully utilising the unutilised proceeds of the Placing is determined based on the Group's best estimate of future market conditions, and is subject to change depending on future developments.

# DISCLOSURE OF INTERESTS

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 31 December 2025, the interests and short positions of the Directors and chief executive in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he/she is taken or deemed to have under such provisions of the SFO, or which were recorded in the register required to be kept by the Company under Section 352 of the SFO), or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

### Long position in ordinary shares of the Company

Name of Directors	Capacity/ Nature of interest	Number of Shares held/ interested	Approximate percentage of shareholding in the Company as at 31 December 2025
Mr. Cao Chunmeng	Beneficial owner	117,880,000	11.26%
Mr. Qiu Yingming	Beneficial owner	46,044,000	4.40%
Mr. Yuan Shuangshun <sup>1</sup>	Beneficial owner/ Interest of spouse	5,086,000	0.49%
Mr. Han Bing	Beneficial owner	1,000,000	0.10%

*Note:*

1. Ms. Zeng Xiu Hua, the spouse of Mr. Yuan Shuangshun, holds 1,420,000 ordinary shares of the Company. By virtue of the SFO, Mr. Yuan Shuangshun is deemed to be interested in the 1,420,000 ordinary shares.

# DISCLOSURE OF INTERESTS

## Long position in underlying shares or equity derivatives of the Company

Name of Directors	Capacity/Nature of interest	Share options	Approximate	Approximate
			percentage of shareholding in the Company assuming all the share options granted under the Share Option Scheme were exercised as at 31 December 2025	percentage of shareholding in the Company as at 31 December 2025
Mr. Yuan Shuangshun	Beneficial owner	8,000,000	0.76%	0.73%
Mr. Han Bing	Beneficial owner	8,000,000	0.76%	0.73%
Mr. Yan Xiaotian	Beneficial owner	800,000	0.08%	0.07%
Mr. Tang Chi Wai	Beneficial owner	800,000	0.08%	0.07%

Save as disclosed above, as at 31 December 2025, none of the Directors and chief executive of the Company had an interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations that was notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or was 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.

# DISCLOSURE OF INTERESTS

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2025, so far as is known to the Directors, the following person (other than Directors or chief executive of the Company) had or were deemed or taken to have interests and short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO was as follows:

### Long position in ordinary shares of the Company

Name	Capacity/ Nature of interest	Number of Shares held/ interested	Approximate percentage of shareholding in the Company as at 31 December 2025
Huang Songyuan	Beneficial owner	106,214,000	10.15%

Save as disclosed above, as at 31 December 2025, so far as is known to the Directors or chief executive of the Company, no other persons, other than the Directors and chief executive of the Company whose interests are set out in the section “**DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS**” above, had any interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

# OTHER INFORMATION

## CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at the date of this report, the Company's issued capital was 1,046,628,000 Shares of HK\$0.01 each.

As at 31 December 2025, the Group had total assets of approximately RMB129.5 million, total liabilities and shareholders' equity of approximately RMB75.3 million and RMB54.2 million, respectively.

The Group's current ratio as at 31 December 2025 was approximately 1.8 times compared to 1.9 times as at 30 June 2025. The current ratio decreased slightly due to better strategic management of inventory and working capital flow in the NSC segment in the PRC. The gearing ratio for the Group as at 31 December 2025 was 60.2% (30 June 2025: 66.3%). It was calculated by dividing total obligations under total bank borrowings by total equity as at the end of each reporting period multiplied by 100%.

As at 31 December 2025, the Group's indebtedness comprised bank borrowing and lease liabilities in Renminbi of approximately RMB32.6 million and RMB2.6 million, respectively (30 June 2025: RMB41.3 million and RMB3.7 million, respectively).

There was no change in capital structure of the Company as at 31 December 2025 since the date of publication of the annual report of the Company for the year ended 30 June 2025 ("**2025 Annual Report**").

There has been no material change to the capital management policy of the Company since the date of publication of 2025 Annual Report.

The Group was not exposed to material fluctuations in exchange rates and did not make any foreign exchange related hedges for the Relevant Period.

## TREASURY POLICY

The Group has adopted a conservative approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Relevant Period. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status 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 other commitments can meet its funding requirements from time to time.

# OTHER INFORMATION

## MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

During the Relevant Period, the Group did not have any material acquisitions or disposals of subsidiaries and associates.

## CAPITAL EXPENDITURE

Total capital expenditure for the Relevant Period was approximately RMB568,000, which was used to purchase property, plant and equipment.

## CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31 December 2025 (30 June 2025: nil).

## COMMITMENTS

As at 31 December 2025, the Group did not have any capital commitments (30 June 2025: nil).

## EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the total number of employees of the Group was 112 (31 December 2024: 132) and the Directors' emoluments incurred during the Relevant Period were approximately RMB6.0 million (six months ended 31 December 2024: approximately RMB5.4 million).

The Group recognises employees as valuable assets and the Group's success is underpinned by every employee. In line with the Human Resources policies, the Group is committed to providing attractive remuneration packages, and a fair and harmonious working environment to safeguard the legitimate rights and interests of the employees. The Group regularly reviews our Human Resources policies which outline the Group's compensation, working hours, rest periods and other benefits and welfare, to ensure compliance with laws and regulations. The Group always places emphasis on attracting qualified applicants by offering competitive remuneration packages which would be reviewed based on employees' performance and reference to prevailing market conditions, and these remuneration packages would be adjusted in a timely manner to keep them competitive in line with market benchmarking.

## OTHER INFORMATION

The Group operates the retirement schemes for employees in Singapore outlined in the Central Provident Fund Act (Chapter 36 of Singapore), in Malaysia outlined in the Employee's Provident Fund Act 1991 and Employment Insurance System Act 2018 Laws of Malaysia, in Hong Kong outlined in the Mandatory Provident Fund Schemes Ordinance (Cap. 485), and in the PRC in accordance to Labour Law and Labour Contract Law of the PRC.

In addition, the Company has conditionally adopted a share option scheme (the **"Share Option Scheme"**) on 14 December 2017 and a share award scheme (the **"Share Award Scheme"**) on 18 February 2021 so as to motivate, attract and retain the right employees. The Board has resolved to terminate the Share Award Scheme with effect from 16 May 2024 (for details, please refer to the announcement of the Company dated 16 May 2024).

### EVENTS AFTER REPORTING PERIOD

The Group had no other significant events which were subsequent to the end of the reporting period of this report.

### CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealing, as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for securities transactions by the Directors in respect of the shares of the Company. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard of dealing and the code of conduct for securities transactions by the Directors during the Relevant Period and up to the date of this report.

### NO CHANGE IN INFORMATION OF DIRECTORS

There was no change in the information of Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the best knowledge of the Directors, Directors confirmed that the Company has maintained a sufficient amount of public float for its shares of the Company as required under the GEM Listing Rules during the Relevant Period.

# OTHER INFORMATION

## COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, the Controlling Shareholders or substantial shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) has engaged in any business or interest that competes or may compete, either directly or indirectly, with the businesses of the Group, or has any other conflict of interests with the Group as required to be disclosed pursuant to Rule 11.04 of the GEM Listing Rules during the Relevant Period.

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

The Board confirms that during the Relevant Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

## SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 14 December 2017 for the purpose of providing incentive to eligible participants (including Directors) who contributed to the success of the Group.

As at 31 December 2025, options to subscribe for an aggregate of 52,900,000 shares of the Company granted to Directors, certain employees and external consultant pursuant to the Share Option Scheme remained outstanding, details of which were as follows:

Name and category of participants	Date of grant	Exercise price per option	Exercise period	Vesting period	At 1 July 2025	Granted during the period	Lapsed/ Forfeited during the period	At 31 December 2025
Directors								
Mr. Yuan Shuangshun	31.12.2021	HK\$0.5	31.12.2021 to 30.12.2026	N/A	2,400,000	-	-	2,400,000
	31.12.2021	HK\$0.5	31.12.2022 to 30.12.2026	1st anniversary of the date of grant	2,400,000	-	-	2,400,000
	31.12.2021	HK\$0.5	31.12.2023 to 30.12.2026	2nd anniversary of the date of grant	3,200,000	-	-	3,200,000
Sub-total					8,000,000	-	-	8,000,000
Mr. Han Bing								
Mr. Han Bing	31.12.2021	HK\$0.5	31.12.2021 to 30.12.2026	N/A	2,400,000	-	-	2,400,000
	31.12.2021	HK\$0.5	31.12.2022 to 30.12.2026	1st anniversary of the date of grant	2,400,000	-	-	2,400,000
	31.12.2021	HK\$0.5	31.12.2023 to 30.12.2026	2nd anniversary of the date of grant	3,200,000	-	-	3,200,000
Sub-total					8,000,000	-	-	8,000,000

## OTHER INFORMATION

Name and category of participants	Date of grant	Exercise price per option	Exercise period	Vesting period	At 1 July 2025	Granted during the period	Lapsed/ Forfeited during the period	At 31 December 2025
Mr. Yan Xiaotian	31.12.2021	HK\$0.5	31.12.2021 to 30.12.2026	N/A	240,000	-	-	240,000
	31.12.2021	HK\$0.5	31.12.2022 to 30.12.2026	1st anniversary of the date of grant	240,000	-	-	240,000
	31.12.2021	HK\$0.5	31.12.2023 to 30.12.2026	2nd anniversary of the date of grant	320,000	-	-	320,000
Sub-total					800,000	-	-	800,000
Mr. Tang Chi Wai	31.12.2021	HK\$0.5	31.12.2021 to 30.12.2026	N/A	240,000	-	-	240,000
	31.12.2021	HK\$0.5	31.12.2022 to 30.12.2026	1st anniversary of the date of grant	240,000	-	-	240,000
	31.12.2021	HK\$0.5	31.12.2023 to 30.12.2026	2nd anniversary of the date of grant	320,000	-	-	320,000
Sub-total					800,000	-	-	800,000
Employees – In aggregate	31.12.2021	HK\$0.5	31.12.2021 to 30.12.2026	N/A	10,650,000	-	(60,000)	10,590,000
	31.12.2021	HK\$0.5	31.12.2022 to 30.12.2026	1st anniversary of the date of grant	10,650,000	-	(60,000)	10,590,000
	31.12.2021	HK\$0.5	31.12.2023 to 30.12.2026	2nd anniversary of the date of grant	14,200,000	-	(60,000)	14,120,000
Sub-total					35,500,000	-	(200,000)	35,300,000
Total					53,100,000	-	(200,000)	52,900,000

Share options were lapsed due to employee resignations. As of the date of this report, no share options were exercised.

Particulars of the Share Option Scheme are set out below:

### Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to provide incentives or rewards to eligible persons for their contribution to the Group and/or to enable our Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which the Group holds any equity interest.

# OTHER INFORMATION

## **Total number of shares available for issue under the Share Option Scheme**

Under the Share Option Scheme, the total number of Shares which may be allotted and issued upon exercise of all share options to be granted under the Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the total number of Shares in issue on the 16 January 2018, being 80,000,000 Share (the “**Scheme Limit**”). Subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the GEM Listing Rules from time to time, the Board may renew this limit at any time to 10% of the Shares in issue (the “**New Scheme Limit**”) as at the date of the approval by the Shareholders in that general meeting.

## **Maximum entitlement of each participant under the Share Option Scheme**

The maximum entitlement of each participant under the Share Option Scheme in any 12-month period up to and including the date of grant of the options must not exceed 1% of the total number of Shares in issue.

## **Period within which the shares must be taken up under an option**

The period during which an option may be exercised is determined by the Board at its discretion, save that such period shall not be longer than 10 years from the date of grant.

## **Minimum period for which an option must be held before it can be exercised**

The minimum period will be determined by the Board upon the grant of an option.

## **Amount payable on acceptance of an option and the period within which payments shall be made**

A consideration of HK\$1 (approximately RMB0.93) is payable on acceptance of the offer of grant of an option where the grantee should accept or decline the offer of grant of an option within the date as specified in the offer letter issued by the Company, being a date no later than 21 business days from the date upon which it is made.

# OTHER INFORMATION

## Basis of determining the exercise price

The exercise price of a share in respect of any particular option granted under the Share Option Scheme shall be a price determined by the Board in its absolute discretion and notified to an eligible person, and shall be at least the highest of: (1) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, (2) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five consecutive business days immediately preceding the date of grant, and (3) the nominal value of the share on the date of grant.

## Remaining life of the Share Option Scheme

The Share Option Scheme shall be valid and effective for a period of 10 years from the Adoption Date until 13 December 2027.

Details of share options granted under the Share Option Scheme are as follows:

	<b>Share options granted on 31 December 2021</b>
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Number of ordinary shares issued upon exercise:	
– Directors	18,400,000
– Employees	45,900,000
– External consultant	1,000,000
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	65,300,000
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For the share options granted on 31 December 2021, 19,590,000 share options are exercisable immediately on the date of grant (i.e. 31 December 2021) (the “**first tranche**”); 19,590,000 share options are exercisable 1st anniversary of the date of grant (i.e. 31 December 2022) (the “**second tranche**”); 26,120,000 share options are exercisable on the 2nd anniversary of the date of grant (i.e. 31 December 2023) (the “**third tranche**”).

In the event the grantee ceases to be the participants, the share options granted to the grantee shall lapse on the date which the grantee ceases to be the participant.

The Group does not have a legal or constructive obligation to repurchase or settle the options in cash.

## OTHER INFORMATION

Details in the exercise prices and the movement of number of share options outstanding and exercisable are as follows:

Grant date	Exercise price per share option HK\$	As at 1 July 2025	Number of share options		As at 31 December 2025
			Granted during the Relevant Period	Lapsed/ forfeited during the Relevant Period	
<b>31 December 2021</b>					
- Directors	0.5	17,600,000	-	-	17,600,000
- Employees	0.5	35,500,000	-	(200,000)	35,300,000
		53,100,000	-	(200,000)	52,900,000

Grant date	Exercise price per share option HK\$	As at 1 July 2024	Number of share options		As at 30 June 2025
			Granted during the year	Lapsed/ forfeited during the year	
<b>31 December 2021</b>					
- Directors	0.5	17,600,000	-	-	17,600,000
- Employees	0.5	35,700,000	-	(200,000)	35,500,000
- External consultant	0.5	1,000,000	-	(1,000,000)	-
		54,300,000	-	(1,200,000)	53,100,000

At 31 December 2025, the weighted average remaining contractual life of these outstanding share options was approximately 1.0 years (30 June 2025: 1.5 years), with a weighted average exercise price of HK\$0.50 (30 June 2025: HK\$0.50) per share option. At 31 December 2025, the number of exercisable share options was 52,900,000 (30 June 2025: 53,100,000). The weighted average share price per share from the date of the share options granted to 31 December 2025 was HK\$0.18.

200,000 share options were lapsed due to termination of employment during the Relevant Period.

# OTHER INFORMATION

## Exercisable at the end of the Period

During the Relevant Period, no share options were granted, vested, exercised or cancelled.

The fair values of employee services received in return for share options granted are measured by reference to the fair value of share options granted.

An external consultant was engaged to provide legal advice on the business operations of the Group in the PRC as detailed in the Company's announcement dated 14 December 2022. In the opinion of the directors of the Company, the fair value of services cannot be measured reliably and the Group should measure the services rendered the external consultant by reference to the fair value of share options granted.

For the fair value of services measured indirectly by reference to the fair value of the share options granted, the fair value is determined by the directors of the Company with reference to the valuation performed by an independent valuer, Ravia Global Appraisal Advisory Limited using the Binomial Option Pricing Model and significant inputs into the model were as follows:

**Share options  
granted on  
31 December 2021**

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Expected volatility	100.38%
Expected option life	5 years
Expected dividend yield	0.00%
Annual risk-free interest rate	1.11%
Fair value	HK\$10,300,000
Fair value – first tranche	HK\$0.1382
– second tranche	HK\$0.1550
– third tranche	HK\$0.1740

## OTHER INFORMATION

The expected volatility reflects the assumption that the historical volatility of future trends, adjusted for any expected changes to future volatility based on publicly available information, which may also not necessarily be the actual outcome. No other feature of the options was incorporated into the measurement of the fair value.

The variables and assumptions used in estimating the fair value of the share options were the directors' best estimates. Change in subjective input assumptions can materially affect the fair value.

During the periods ended 31 December 2024 and 2025, no share-based payment expenses were recognised in the unaudited consolidated profit or loss.

None of the share options (30 June 2025: nil) were exercised during Relevant Period. At the time when the share options are subsequently exercised, the amount previously recognised in share-based payment reserve will be transferred to share capital and share premium.

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to achieving a high standard of corporate governance practices in enhancing the confidence of shareholders, investors, employees, creditors and business partners and also the growth of its business. The Board has and will continue to review and improve the Company's corporate governance practices from time to time in order to increase its transparency and accountability to shareholders. The Company has adopted the code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 of the GEM Listing Rules as its own corporate governance code since the shares of the Company were listed on GEM of the Stock Exchange on 16 January 2018. The Company has, so far as applicable, principally complied with the CG Code throughout the Relevant Period.

# OTHER INFORMATION

## AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules on 14 December 2017 and revised on 11 January 2019 (the “**Audit Committee**”). The primary duties of the Audit Committee include, among others, (a) making recommendations to our Board on the appointment, re-appointment and removal of the external auditor and approving the remuneration and terms of engagement of the external auditor; (b) reviewing the Group’s financial statements, annual report and accounts, half-year report, and quarterly report and significant financial reporting judgements contained therein; and (c) reviewing the financial control, internal control and risk management systems of the Group. As at the date of this report, the Audit Committee comprises of three independent non-executive Directors, namely Mr. Tang Chi Wai, Mr. Yan Xiaotian and Mr. Zheng Xiaorong. Mr. Tang Chi Wai is the chairman of the Audit Committee.

The unaudited interim results of the Company for the Relevant Period have not been audited by the Company’s independent auditors, but have been reviewed by the Audit Committee which is of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosure have been made in respect thereof.

By order of the Board

**ISP Global Limited**

**Cao Chunmeng**

*Chairman and Executive Director*

Hong Kong, 27 February 2026

*As at the date of this report, the executive Directors are Mr. Cao Chunmeng, Mr. Han Bing, Mr. Yuan Shuangshun, Mr. Mong Kean Yeow and Ms. Choon Shew Lang, the non-executive Director is Mr. Qiu Yingming and the independent non-executive Directors are Mr. Zheng Xiaorong, Mr. Yan Xiaotian and Mr. Tang Chi Wai.*

*This report will remain on the “Latest Listed Company Information” page of the Stock Exchange website at <http://www.hkexnews.hk> for at least 7 days from the date of its posting. This report will also be published on the Company’s website at [www.ispg.hk](http://www.ispg.hk).*