



WINOX

WINOX HOLDINGS LIMITED
盈利時控股有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號：6838

2025

INTERIM REPORT
中期報告

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Yiu Hon Ming (*Chairman*)
Yiu Tat Sing (*Deputy Chairman*)
Li Chin Keung (*Managing Director*)
Law Wai Ping
Chau Kam Wing Donald (*Finance Director*)
Yiu Ho Ting
Hou Bojian*
Wong Lung Tak Patrick*
Wu Ming Lam*

* *Independent Non-executive Director*

AUDIT COMMITTEE

Wong Lung Tak Patrick (*Chairman*)
Hou Bojian
Wu Ming Lam

REMUNERATION COMMITTEE

Wong Lung Tak Patrick (*Chairman*)
Yiu Hon Ming
Hou Bojian
Wu Ming Lam

NOMINATION COMMITTEE

Yiu Hon Ming (*Chairman*)
Hou Bojian
Wong Lung Tak Patrick
Wu Ming Lam

COMPANY SECRETARY

Huen Lai Chun

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor

PRINCIPAL BANK

The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman KY1-1111
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2, 1/F
Sunray Industrial Centre
610 Cha Kwo Ling Road, Yau Tong
Kowloon, Hong Kong

Telephone: (852) 23493776
Facsimile: (852) 23493780
Website: <http://www.winox.com>

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Hong Kong

INFORMATION OF SHARES

Place of Listing	:	Main Board of The Stock Exchange of Hong Kong Limited
Stock Code	:	6838
Board Lot	:	2,000 shares
Financial Year End	:	31 December

FINANCIAL HIGHLIGHTS

	Six months ended 30 June 2025 HK\$'000 unaudited	Six months ended 30 June 2024 HK\$'000 unaudited	Change
RESULTS HIGHLIGHTS			
Revenue	324,228	322,245	0.6%
Gross profit	57,508	68,559	-16.1%
(Loss) profit for the period	(13,821)	9,255	N/A
Return on equity ¹ (%)	-1.4%	0.9%	-2.3pts
Basic (loss) earnings per share (HK cents)	(2.3)	1.5	N/A
Interim dividend per share (HK cents)	–	0.5	N/A
	As at 30 June 2025 HK\$'000 unaudited	As at 31 December 2024 HK\$'000 audited	Change
BALANCE SHEET HIGHLIGHTS			
Total assets	1,167,253	1,169,745	-0.2%
Total borrowings	73,306	67,783	8.1%
Net assets	957,720	942,735	1.6%
Net assets per share (HK\$)	1.60	1.57	1.9%
Current ratio	2.41	2.32	
Gearing ratio ²	0.06	0.06	

¹ Return on Equity attributable to shareholders at period end

² Gearing ratio = Total borrowings/Total assets

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal focus of Winox Holdings Limited (“Company”, together with its subsidiaries “Group”) remains on the development and manufacture of premium stainless steel products, and our major business segments are watch bracelets, mobile phone cases and parts, smart wearable cases and parts, and fashion accessories.

During the first six months of 2025, the world’s major economies have been facing different challenges, the escalated tariff war raised by the U.S. in April 2025 created great uncertainties to the world economy, the Euro zone has been adversely affected by the prolonged military conflict between Russia and Ukraine, the outbreak of war in the Middle East and the effectiveness of the China’s implemented series of consumers’ stimulation measures has yet to be observed. Under this backdrop, the world demand for luxury consumer goods has become sluggish and the sales of the Group’s products were inevitably affected.

The revenue of our watch bracelets and fashion accessories for the six months ended 30 June 2025 decreased by 5.9% and 47.0% respectively as compared to the same period of last year. The revenue of our mobile phone cases and parts decreased by 8.2% as compared to the same period of last year.

However, the revenue of our smart wearable cases and parts for the first half of 2025 increased by 54.7% as compared to the very weak sales figure same period last year.

Facing the prolonged weak consumer markets and other uncertainties and challenges lies ahead, the Group has implemented a workforce streamlining plan and other cost reduction policies in 2025. During the first six months of 2025, an amount of HK\$10,336,000 employment termination compensation has been paid.

Nevertheless, the Group’s financial positions remains strong and healthy in which our net current assets and cash and bank balances amounted to HK\$288,376,000 and HK\$200,205,000 respectively as at 30 June 2025.

FINANCIAL REVIEW

REVENUE

For the six months ended 30 June 2025, the Group’s revenue slightly increased by 0.6% to HK\$324,228,000 (2024: HK\$322,245,000) as compared to the same period of last year. Revenue attributable to watch bracelets, mobile phone cases and parts, smart wearable cases and parts, and fashion accessories were 28.9%, 43.1%, 25.1% and 2.9% respectively (2024: 30.9%, 47.2%, 16.3% and 5.6%).

In the first six months of 2025, the Group’s revenue of watch bracelets reported a decrease of 5.9% to HK\$93,794,000 (2024: HK\$99,701,000) and revenue of fashion accessories recorded a decrease of 47.0% to HK\$9,468,000 (2024: HK\$17,856,000) as compared to the same period of last year.

During the period under review, revenue of mobile phone cases and parts was HK\$139,652,000 (2024: HK\$152,124,000), representing a decrease of 8.2%.

During the period under review, revenue of smart wearable cases and parts amounted to HK\$81,314,000 (2024: HK\$52,564,000), representing an increase of 54.7%.

MANAGEMENT DISCUSSION AND ANALYSIS

GROSS PROFIT

Gross profit decreased by 16.1% to HK\$57,508,000 (2024: HK\$68,559,000) as compared to the same period of last year. Gross profit margin for the period under review decreased by 3.6 percentage points to 17.7% (2024: 21.3%) which was mainly due to severe market competition in terms of price cutting amongst domestic manufacturers.

LOSS FOR THE PERIOD

Loss for the period was HK\$13,821,000 (2024: profit of HK\$9,255,000) and basic loss per share for the period under review was HK2.3 cents (2024: basic earnings per share of HK1.5 cents).

COST OF SALES

Cost of sales included costs of production materials, labour costs, and manufacturing overhead and other costs. The following table sets forth the breakdown of our cost of sales for the six months ended 30 June 2025:

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Direct materials costs	132,907	120,919
Direct labour costs	95,712	91,638
Manufacturing overhead and other costs	38,101	41,129
	266,720	253,686

During the six months ended 30 June 2025, direct materials costs accounted for about 49.8% (2024: 47.7%) of the total cost of sales.

Direct labour costs, and manufacturing overhead and other costs accounted for about 35.9% and 14.3% (2024: 36.1% and 16.2%) of the total cost of sales respectively.

OTHER INCOME

Other income decreased by 49.6% to HK\$3,945,000 for the six months ended 30 June 2025 as compared to HK\$7,826,000 for the same period of last year which was mainly due to the decrease in bank time deposit interest income.

OTHER EXPENSES

Selling and distribution costs decreased by 9.8% to HK\$6,248,000 for the first six months of 2025 as compared to HK\$6,923,000 for the same period of last year.

Administrative and other expenses increased by 9.6% to HK\$53,643,000 (2024: HK\$48,924,000) during the period under review which was mainly due to the employment termination compensation payment under the Group's workforce streamlining plan of HK\$10,336,000.

Research and development expenses increased by 77.4% to HK\$15,414,000 (2024: HK\$8,687,000) during the period under review.

Finance costs for the six months ended 30 June 2025 amounted to HK\$1,143,000 (2024: HK\$1,565,000), representing a decrease of 27.0%.

TAXATION

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of assessable profits of a qualifying group entity will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax ("EIT Law") and Implementation Regulation of the EIT Law, the tax rate of group entities in the PRC is 25%. Certain PRC subsidiaries of the Group were awarded the High and New Technology Enterprise ("HNTE") certificate in prior years and eligible to a tax rate of 15% for 3 years until 31 December 2025. The recognition as a HNTE is subject to review every 3 years by the relevant government bodies.

According to relevant laws and regulations promulgated by the State Administration of Tax of the PRC effective from 2008 onwards, enterprises engaging in research and development activities are entitled to claim 200% (2024: 200%) of their qualified research and development expenses so incurred as tax deductible expenses when determining their assessable profits for the period ("Super Deduction"). The Group has made its best estimate for the Super Deduction to be claimed for the subsidiaries in ascertaining their assessable profits for the period.

INVENTORIES

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Raw materials	8,207	8,656
Work in progress	54,405	41,101
Finished goods	12,383	14,487
	74,995	64,244

As at 30 June 2025, the Group recorded an inventory balance of HK\$74,995,000 (31 December 2024: HK\$64,244,000), representing an increase of 16.7%. The inventory turnover of the Group for the first half of 2025 was 47.2 days as compared to 46.3 days for the same period of 2024.

TRADE RECEIVABLES

As at 30 June 2025, the Group's trade receivables amounted to HK\$113,081,000 (31 December 2024: HK\$166,055,000). The credit periods granted to our customers were considered on individual basis ranging from 30 days to 90 days. Generally, no credit would be granted to customers which are new, short-term and placing orders in immaterial scale. As most of our customers are internationally renowned brand owners, we considered we were exposed to relatively low default risk. As at 31 July 2025, approximately HK\$67,730,000 of the gross carrying amount of trade receivables as at 30 June 2025 has been received. The trade receivables turnover of the Group for the period under review was 77.9 days (for the year ended 31 December 2024: 82.7 days).

MANAGEMENT DISCUSSION AND ANALYSIS

TRADE PAYABLES

As at 30 June 2025, the Group's trade payables amounted to HK\$94,320,000 (31 December 2024: HK\$116,514,000). The trade payables was primarily related to the purchase of raw materials from suppliers with credit periods ranging from 30 days to 90 days. The trade payables turnover of the Group for the six months ended 30 June 2025 was 71.5 days (for the year ended 31 December 2024: 64.7 days).

LIQUIDITY, INDEBTEDNESS AND CHARGES ON ASSETS

During the period under review, the Group maintained a satisfactory liquidity level. As at 30 June 2025, net current assets of the Group was HK\$288,376,000 (31 December 2024: HK\$297,079,000). Besides, the Group maintained bank balances and cash of HK\$200,205,000 as at 30 June 2025 (31 December 2024: HK\$222,249,000), of which 33.6% was in Renminbi, 16.7% was in Hong Kong dollars, 49.6% was in United States dollars, and 0.1% was in Swiss Franc and other currencies.

The Group's outstanding bank borrowings as at 30 June 2025 was HK\$73,306,000 (31 December 2024: HK\$67,783,000), of which 100.0% was in Renminbi. Balance of HK\$24,097,000 contained repayment on demand clause at any time at the discretion of the bank. Under the Hong Kong Accounting Standards, the Group classified the bank borrowings contained repayment on demand clause as current liabilities in the condensed consolidated statement of financial position as at 30 June 2025. Despite that, amongst these bank borrowings, according to the repayment schedule, HK\$73,306,000 was repayable within one year. All bank borrowings as at 30 June 2025 were classified under current liabilities.

Part of the bank borrowings was secured by certain of the Group's assets with an aggregate carrying value of HK\$76,662,000 as at 30 June 2025. The charged assets included a piece of land in Dongguan where our factory situated and certain properties constructed thereon, and the bills receivables. The banking facilities to the Company's wholly-owned subsidiaries were also secured by corporate guarantees in favour of the bank from the Company.

As at 30 June 2025, the Group's gearing ratio was 0.06 (31 December 2024: 0.06), which was calculated on the basis of total borrowings over total assets of the Group.

TREASURY

The Group adopted conservative treasury policies in cash and financial management. Cash was generally placed in short term deposits. The Group's liquidity and financing requirements were reviewed regularly.

For the six months ended 30 June 2025, a considerable amount of the Group's sales was denominated in United States dollars, Hong Kong dollars and Renminbi contributing to 40.1%, 31.2% and 28.7% of the total revenue respectively (2024: 51.4%, 34.3% and 14.3%). As Hong Kong dollars was pegged with United States dollars, the directors of the Company ("Directors") considered the Group was exposed to limited risk in this aspect. Despite that, the Group's production plants were located in Mainland China, and the labour costs and manufacturing overhead were mainly denominated in Renminbi. The appreciation and depreciation of Renminbi might affect the overall production costs of the Group.

During the period under review, the Group did not use any financial instruments for hedging purposes and the Group did not have any hedging instruments outstanding as at 30 June 2025. We would continue to monitor closely the exchange rate risk arising from the Group's existing operations and new investments in future. We would implement the necessary hedging arrangement to mitigate any significant foreign exchange risk when and if appropriate.

CAPITAL COMMITMENTS

Capital expenditure contracted for but not yet provided by the Group in the condensed consolidated financial statements as at 30 June 2025 was HK\$49,437,000 (31 December 2024: HK\$46,935,000), which was mainly related to the acquisition of property, plant and equipment and land use rights.

CONTINGENT LIABILITIES

As at 30 June 2025, save for the granting of corporate guarantees by the Company to its wholly-owned subsidiaries as described above, the Group did not have any other significant contingent liabilities.

EMPLOYMENT AND REMUNERATION POLICY

As at 30 June 2025, the total number of employees of the Group was approximately 2,202 (2024: 2,408). During the period under review, staff costs (including Directors' emoluments) amounted to HK\$140,126,000 (2024: HK\$124,708,000). Remuneration of employees which included salary and discretionary bonus was based on the Group's results and individual performance. Medical and retirement benefits schemes were made available to all levels of personnel.

OUTLOOK

Entering into the second half of 2025, the world's economy is full of challenges due to the escalating tariff and trade sanctions by the U.S. on China; and the unrested warfare and geopolitical tensions in other areas of the world. We will keep taking relevant measures to prepare for any challenges. On top of the Group's focus on growing revenue, ensuring consistent and sustainable long-term profitability remains a top priority. We are committed to improving our operation efficiency and will make the best use of our resources to enhance our profitability for the purpose of achieving the sustainable growth of the Group.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



TO THE BOARD OF DIRECTORS OF WINOX HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Winox Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 10 to 23, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

27 August 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	NOTES	Six months ended	
		30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
Revenue	3	324,228	322,245
Cost of sales		(266,720)	(253,686)
Gross profit		57,508	68,559
Other income	4	3,945	7,826
Other gains and losses		517	2,251
Reversal of impairment losses on financial assets under expected credit loss model		1,230	46
Selling and distribution costs		(6,248)	(6,923)
Administrative and other expenses		(53,643)	(48,924)
Research and development expenses		(15,414)	(8,687)
Finance costs		(1,143)	(1,565)
(Loss) profit before taxation	5	(13,248)	12,583
Taxation	6	(573)	(3,328)
(Loss) profit for the period		(13,821)	9,255
Other comprehensive income (expense) for the period			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		28,806	(23,378)
Total comprehensive income (expense) for the period		14,985	(14,123)
(Loss) earnings per share – Basic	8	(HK2.3 cents)	HK1.5 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025

	NOTES	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	9	589,435	553,631
Right-of-use assets	9	60,474	56,236
Deposits paid for non-current assets	10	23,742	29,388
Deposit and prepayment for a life insurance policy		–	8,850
		673,651	648,105
Current assets			
Inventories		74,995	64,244
Trade and other receivables	11	215,263	231,926
Taxation recoverable		3,139	3,221
Short-term bank deposits		70,650	97,637
Bank balances and cash		129,555	124,612
		493,602	521,640
Current liabilities			
Trade and other payables	12	128,414	154,823
Taxation payable		1,212	1,096
Bank borrowings	13	73,306	67,783
Lease liabilities		2,294	859
		205,226	224,561
Net current assets		288,376	297,079
Total assets less current liabilities		962,027	945,184
Non-current liability			
Lease liabilities		4,307	2,449
Net assets		957,720	942,735
Capital and reserves			
Share capital	14	60,000	60,000
Reserves		897,720	882,735
Total equity		957,720	942,735

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2024 (audited)	60,000	203,244	(71,771)	817,237	1,008,710
Profit for the period	–	–	–	9,255	9,255
Exchange differences arising on translation of foreign operations and other comprehensive expense for the period	–	–	(23,378)	–	(23,378)
Total comprehensive (expense) income for the period	–	–	(23,378)	9,255	(14,123)
Dividends declared (<i>note 7</i>)	–	–	–	(12,000)	(12,000)
At 30 June 2024 (unaudited)	60,000	203,244	(95,149)	814,492	982,587
At 1 January 2025 (audited)	60,000	203,244	(102,417)	781,908	942,735
Loss for the period	–	–	–	(13,821)	(13,821)
Exchange differences arising on translation of foreign operations and other comprehensive income for the period	–	–	28,806	–	28,806
Total comprehensive income (expense) for the period	–	–	28,806	(13,821)	14,985
At 30 June 2025 (unaudited)	60,000	203,244	(73,611)	768,087	957,720

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended	
	30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
Operating activities		
(Loss) profit before taxation	(13,248)	12,583
Adjustments for:		
Depreciation of property, plant and equipment	24,826	25,918
Gain on surrender of a life insurance policy	(848)	–
Other non-cash items	1,044	(665)
Operating cash flows before movements in working capital	11,774	37,836
Increase in inventories	(7,909)	(10,647)
Decrease (increase) in trade and other receivables	29,229	(17,015)
Decrease in trade and other payables	(31,418)	(2,415)
Other cash flows used in operating activities	(377)	(4,493)
Net cash from operating activities	1,299	3,266
Investing activities		
Placement of short-term bank deposits	(97,501)	(93,704)
Purchase of property, plant and equipment	(27,360)	(11,705)
Deposits paid for acquisition of property, plant and equipment	(9,971)	(10,976)
Withdrawal of short-term bank deposits	125,234	144,460
Proceeds from surrender of life insurance policy	9,560	–
Interest received	1,514	5,191
Proceeds from disposal of property, plant and equipment	270	410
Net cash from investing activities	1,746	33,676
Financing activities		
Repayment of bank borrowings	(82,224)	(12,525)
Interests paid	(1,356)	(1,609)
Repayment of lease liabilities	(1,321)	(1,344)
Bank borrowings raised	85,893	8,744
Dividends paid	–	(12,000)
Net cash from (used in) financing activities	992	(18,734)
Net increase in cash and cash equivalents	4,037	18,208
Cash and cash equivalents at beginning of the period	124,612	231,265
Effect of foreign exchange rate changes	906	(1,790)
Cash and cash equivalents at end of the period, representing bank balances and cash	129,555	247,683

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than additional accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2024.

APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

The Group is engaged in manufacture and trading of stainless steel products. Information reported to the members of executive directors of the Company, being the chief operating decision makers (the "CODM"), for the purposes of resources allocation and assessment of performance focuses on revenue analysis by products, including mobile phone cases and parts, watch bracelets, smart wearable cases and parts, and fashion accessories, and by geographic locations of customers, including the People's Republic of China ("PRC"), Switzerland, Hong Kong, Vietnam, Liechtenstein and other European countries, Taiwan and other countries. However, other than revenue analysis, no operating results and other discrete financial information is available. In addition, the CODM reviews the results of the Group as a whole to make decisions. Accordingly, only entity-wide disclosures, major customers and geographic information are presented.

The revenue of the Group from manufacture and trading of stainless steel products is recognised when the goods are passed to the customers, which is the point of time when the customers have the ability to direct the use of the goods and obtain substantially all of the remaining benefits of the goods.

REVENUE FROM MAJOR PRODUCTS

Revenue by products are as follows:

	Six months ended	
	30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
Mobile phone cases and parts	139,652	152,124
Watch bracelets	93,794	99,701
Smart wearable cases and parts	81,314	52,564
Fashion accessories	9,468	17,856
	324,228	322,245

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

3. REVENUE AND SEGMENT INFORMATION (CONTINUED) GEOGRAPHICAL INFORMATION

Revenue from external customers based on locations of customers attributed to the Group by geographical areas are as follows:

	Six months ended	
	30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
PRC	158,331	138,145
Switzerland	84,906	94,669
Hong Kong	41,760	45,734
Vietnam	17,396	15,684
Liechtenstein and other European countries	8,748	17,529
Taiwan	6,281	7,229
Other countries	6,806	3,255
	324,228	322,245

4. OTHER INCOME

	Six months ended	
	30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
Income from sales of scrap materials, other parts and samples	896	1,289
Bank interest income	1,514	5,191
Government grants	169	147
Others	1,366	1,199
	3,945	7,826

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

5. (LOSS) PROFIT BEFORE TAXATION

	Six months ended	
	30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
(Loss) profit before taxation has been arrived at after charging (crediting):		
Directors' remuneration	2,258	2,979
Other staff costs	124,804	109,457
Other staff's retirement benefits schemes contributions	13,064	12,272
Total staff costs	140,126	124,708
Less: Capitalised in inventories	(95,712)	(91,638)
	44,414	33,070
Depreciation of property, plant and equipment	24,826	25,918
Depreciation of right-of-use assets	2,007	2,080
Less: Capitalised in inventories	(14,780)	(17,824)
	12,053	10,174
Interests on:		
– bank borrowings	740	1,429
– loans related to bills discounted with recourse	295	8
– lease liabilities	108	128
	1,143	1,565
Loss on disposal of property, plant and equipment (included in other gains and losses)	201	594
Net foreign exchange loss (gain) (included in other gains and losses)	130	(2,845)
Gain on surrender of a life insurance policy (included in other gains and losses)	(848)	–

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

6. TAXATION

	Six months ended	
	30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
The charge comprises:		
Hong Kong Profits Tax		
Current period	200	3,188
PRC Enterprise Income Tax ("EIT")		
Current period	568	288
Overprovision in prior years	(195)	(148)
	373	140
	573	3,328

HONG KONG PROFITS TAX

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a qualifying group entity will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Hong Kong Profits Tax is calculated at 16.5% on the estimates of assessable profit for both periods.

PRC EIT

Under the Law of the PRC on EIT ("EIT Law") and Implementation Regulation of the EIT Law, the tax rate of group entities in the PRC is 25%. Certain PRC subsidiaries of the Group were awarded the High and New Technology Enterprise ("HNTE") certificate in prior year and eligible to a tax rate of 15% for 3 years until 31 December 2025. The recognition as a HNTE is subject to review every three years by the relevant government bodies.

According to relevant laws and regulations promulgated by the State Administration of Tax of the PRC, enterprises engaging in research and development activities are entitled to claim 200% (2024: 200%) of their qualified research and development expenses so incurred as tax deductible expenses when determining their assessable profits for the period ("Super Deduction"). The Group has made its best estimate for the Super Deduction to be claimed for the subsidiaries in ascertaining their assessable profits for the period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

7. DIVIDENDS

During the current interim period, the Board does not recommend the payment of a final dividend (2024: HK2.0 cents per ordinary share in respect of the year ended 31 December 2023). The aggregate amount of the final dividend declared in the prior interim period amounted to HK\$12,000,000 (2025: nil).

The Board has not resolved to declare an interim dividend for the six months ended 30 June 2025 (2024: HK\$3,000,000).

8. (LOSS) EARNINGS PER SHARE

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

	Six months ended	
	30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
(Loss) earnings for the purpose of calculating basic (loss) earnings per share ((loss) profit for the period attributable to owners of the Company)	(13,821)	9,255

	Number of shares	
	30.6.2025	30.6.2024
Weighted average number of shares for the purpose of calculating basic (loss) earnings per share	600,000,000	600,000,000

No diluted (loss) earnings per share for both periods were presented as there were no potential ordinary shares in issue for both periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

9. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the current interim period, the Group incurred additions to property, plant and equipment of HK\$43,426,000 (six months ended 30 June 2024: HK\$18,748,000).

During the six months ended 30 June 2025, the Group entered into two (six months ended 30 June 2024: one) new lease agreement(s) for the use of buildings and office equipment for fixed term of 24 months (six months ended 30 June 2024: 15 months). On date of lease commencement, the Group recognised right-of-use assets of HK\$4,472,000 (six months ended 30 June 2024: HK\$1,141,000) and lease liabilities of HK\$4,472,000 (six months ended 30 June 2024: HK\$1,141,000).

10. DEPOSITS PAID FOR NON-CURRENT ASSETS

Included in the deposits paid for non-current assets was a deposit of RMB18,158,000 (equivalent to HK\$19,872,000) (31 December 2024: RMB18,158,000 (equivalent to HK\$19,268,000)) being paid for land use right in prior year as the Group intended to construct a new production plant at Boluo County, Huizhou, PRC ("Huzhen Site"). The requisite construction land quota in respect of the Huzhen Site has not been granted and the development of production premises at Huzhen Site is postponed. At 30 June 2025, the transaction has not been completed. The directors of the Company considered it is in the interest of the Group to acquire more land for the production use in order to cater for the long-term development plan of the Group. Accordingly, the Group continues to negotiate with the local government authorities for the grant of the construction land quota and approval.

11. TRADE AND OTHER RECEIVABLES

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Trade receivables	114,610	169,004
Less: Allowance for expected credit losses ("ECL")	(1,529)	(2,949)
	113,081	166,055
Bills receivables	80,234	41,180
Less: Allowance for ECL	(352)	(162)
	79,882	41,018
Value added tax recoverable	16,281	18,094
Prepayments and deposits	3,206	4,165
Refundable rental deposits	502	330
Others	2,311	2,264
Total trade and other receivables	215,263	231,926

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

The trade receivables and bills receivables are from contracts with customers. Payment terms with customers are mainly on credit. Invoices are normally payable within 30 to 90 days by the customers from date of issuance. A longer credit period may be granted to large or long-established customers with good payment history.

The following is an aging analysis of trade receivables at the end of each reporting period based on the date of delivery, which approximated the respective revenue recognition date:

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
0 to 30 days	39,877	56,788
31 to 60 days	44,180	50,620
61 to 90 days	20,989	32,238
Over 90 days	8,035	26,409
	113,081	166,055

As at 30 June 2025, total bills received amounting to HK\$79,882,000 (31 December 2024: HK\$41,018,000) are held by the Group for future settlement of trade receivables, of which certain bills amounting to HK\$48,986,000 (31 December 2024: HK\$25,019,000) were discounted by the Group with recourse. The Group continues to recognise their full carrying amounts at the end of the reporting period. All bills received by the Group are with a maturity period of 6 months or less.

The basis of determining the inputs and assumptions and the estimation techniques used for impairment assessment on financial assets in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

12. TRADE AND OTHER PAYABLES

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Trade payables	94,320	116,514
Payroll and welfare payables	16,039	19,029
Value added tax payable	456	355
Commissions and other payables to intermediary agents	3,891	3,977
Payables for acquisition of property, plant and equipment	5,368	5,729
Other tax payables	976	748
Accrued expenses	6,098	6,552
Interest payable	176	91
Others	1,090	1,828
	128,414	154,823

The Group mainly receives credit terms of 30 to 90 days from its suppliers. The following is an aging analysis of trade payables at the end of each reporting period based on the invoice date:

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
0 to 30 days	15,637	27,961
31 to 60 days	20,856	29,130
61 to 90 days	29,830	31,342
Over 90 days	27,997	28,081
	94,320	116,514

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

13. BANK BORROWINGS

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Bank loans	24,097	42,602
Loans related to bills discounted with recourse	49,209	25,181
	73,306	67,783

During the current interim period, the Group raised and repaid bank loans of HK\$7,562,000 (six months ended 30 June 2024: HK\$3,370,000) and HK\$26,741,000 (six months ended 30 June 2024: HK\$12,525,000), respectively. The existing bank loans carry variable interest rates ranging from 0.64% over 1-year loan prime rate published by the National Interbank Funding Center per annum. Included in the bank loans is an amount of nil (31 December 2024: HK\$10,000,000) which are repayable after one year but contain repayment on demand clause.

During the current interim period, the Group also raised and repaid loans related to bills discounted with recourse of HK\$78,331,000 (six month ended 30 June 2024: HK\$5,374,000) and HK\$55,483,000 (six months ended 30 June 2024: nil), which carry fixed interest rate of 1.06% to 2.60% per annum (six months ended 30 June 2024: fixed interest rate of 1.3% per annum) and are with a maturity period of 3 months or less (six months ended 30 June 2024: 2 months).

14. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 January 2024, 30 June 2024, 31 December 2024, 1 January 2025 and 30 June 2025	4,000,000	400,000
Issued and fully paid:		
At 1 January 2024, 30 June 2024, 31 December 2024, 1 January 2025 and 30 June 2025	600,000	60,000

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

15. CAPITAL COMMITMENTS

	30.6.2025 HK\$'000 (unaudited)	31.12.2024 HK\$'000 (audited)
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of acquisition of property, plant and equipment and land use rights	49,437	46,935

16. RELATED PARTY TRANSACTIONS

(a) During the current interim period, the Group had entered into the following related party transactions:

Name of related party	Nature of transaction	Six months ended	
		30.6.2025 HK\$'000 (unaudited)	30.6.2024 HK\$'000 (unaudited)
Ming Fung (Holdings) Limited (controlled by Mr. Yiu Hon Ming ("Mr. Yiu"))	Fee received for management and administrative service	126	126
Fengtai (Dongguan) Technology Development Service Company Limited ("Fengtai") (controlled by Mr. Yiu and Mr. Yiu Tat Sing)	Short-term lease expenses	184	–
	Interest expenses on lease liabilities	41	38
Mr. Yiu	Interest expenses on lease liabilities	5	27

At 30 June 2025, the lease liabilities due to Fengtai and Mr. Yiu were HK\$3,385,000 and HK\$662,000 (31 December 2024: HK\$491,000 and HK\$314,000), respectively.

During the six months ended 30 June 2025, the Group entered into two new lease agreements for the used of buildings with Fengtai and Mr. Yiu respectively for a fixed term of 24 months. During the six months ended 30 June 2024, the Group entered into one new lease agreement for the use of buildings with Fengtai for a fixed term of 15 months.

Mr. Yiu is the ultimate controlling shareholder and a director of the Company. Mr. Yiu Tat Sing is also a director of the Company.

(b) The key management personnel are the directors of the Company. During the six months ended 30 June 2025, the remuneration of the key management personnel includes short-term employee benefits of HK\$1,842,000 and post-employment benefits of HK\$72,000 (six months ended 30 June 2024: short-term employee benefits of HK2,536,000 and post-employment benefits of HK\$82,000).

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE

The Company is committed to establishing and maintaining high standard of corporate governance and believes that good corporate governance system provides a sustainable and solid foundation for the Company to manage business risks, enhance transparency, advance accountability and maximise shareholders' interests.

The Company has applied the principles of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange") and complied with all the applicable code provisions of the CG Code throughout the six months ended 30 June 2025.

At the Company's annual general meeting held on 26 May 2025 ("AGM"), Mr. Yiu Hon Ming, Ms. Yiu Ho Ting and Professor Wong Lung Tak Patrick retired and were re-elected as Directors. Mr. Carson Wen did not offer himself for re-election at the AGM to facilitate the Company's compliance with the revised Listing Rules on long-serving independent non-executive directors and to support the Board's commitment to good governance and orderly refreshment. Accordingly, he has retired from his office as an Independent Non-executive Director, and has ceased to be a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee, all took effect from the conclusion of the AGM. Ms. Law Wai Ping, an Executive Director, has been appointed as a member of the Nomination Committee with effect from 26 May 2025. The appointment was made in response to the new requirement of the CG Code, which will come into effect on 1 July 2025, that the issuers should appoint at least one director of a different gender for the nomination committee. As at the date of this report, the Board comprises:

Executive Directors

Mr. Yiu Hon Ming (*Chairman*)
Mr. Yiu Tat Sing (*Deputy Chairman*)
Mr. Li Chin Keung (*Managing Director*)
Ms. Law Wai Ping
Mr. Chau Kam Wing Donald (*Finance Director*)
Ms. Yiu Ho Ting

Independent Non-executive Directors

Mr. Hou Bojian
Mr. Carson Wen (retired on 26 May 2025)
Professor Wong Lung Tak Patrick
Mr. Wu Ming Lam

The Audit Committee was established on 25 June 2011 with written terms of reference specifying its authority and duties which is available on the websites of the Stock Exchange and the Company. As at the date of this report, the Audit Committee comprises three Independent Non-executive Directors. The Audit Committee has reviewed with the senior management and the external auditor of the Company the interim results of the Group for the six months ended 30 June 2025 as well as the accounting principles and practices adopted by the Group, internal controls and financial reporting matters.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Group's internal audit function is performed by its internal audit team. The internal audit team plays an important part in the assessment of the effectiveness of the risk management and internal control systems of the Group and reports directly to the Audit Committee. The team conducts internal audit reviews on material internal control systems covering major financial, operational and compliance controls, as well as risk management functions. The team reports to the Audit Committee on a quarterly basis and recommends remedial plans to the management for any internal control deficiencies identified. The team monitors the implementation of its recommendations by the management and reports the outcome to the Audit Committee. Details of the Group's risk management framework and the responsibilities of each delegated group are disclosed in the 2024 Annual Report of the Company.

The Board was satisfied that the Group's internal control system in place that covers all material controls including financial, operational and compliance controls, and risk management system are reasonably effective and adequate during the reporting period.

The Remuneration Committee was established on 25 June 2011 with written terms of reference specifying its authority and duties which is available on the websites of the Stock Exchange and the Company. As at the date of this report, the Remuneration Committee comprises three Independent Non-executive Directors and one Executive Director.

The Nomination Committee was established on 25 June 2011 with written terms of reference specifying its authority and duties which is available on the websites of the Stock Exchange and the Company. As at the date of this report, the Nomination Committee comprises three Independent Non-executive Directors and two Executive Directors.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in the securities of the Company by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2025.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30 June 2025, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive of the Company have taken or deemed to have under such provisions of the SFO); (ii) recorded in the register required to be kept by the Company under section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(a) THE COMPANY

Director	Note	Capacity	Total number of ordinary shares interested or deemed to be interested (Long positions)	Approximate percentage of total issued share capital of the Company
Yiu Hon Ming	1	Interest in controlled corporation and interest of spouse	398,040,000	66.34%
Law Wai Ping	2	Beneficial owner, interest in controlled corporation and interest of spouse	398,040,000	66.34%
Yiu Ho Ting	3	Beneficial owner and interest of spouse	6,909,600	1.15%
Yiu Tat Sing	4	Beneficial owner	1,980,000	0.33%
Li Chin Keung	5	Interest of spouse	964,800	0.16%

Notes:

1. Mr. Yiu Hon Ming ("Mr. Yiu") is legally and beneficially interested in 60% of the entire issued share capital of Ming Fung Holdings (Hong Kong) Limited, which in turn is directly interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited, which in turn is directly interested in 396,000,000 shares of the Company, representing 66% of the entire issued share capital of the Company. Mr. Yiu is the husband of Ms. Law Wai Ping ("Ms. Law"). By virtue of the SFO, Mr. Yiu is deemed to be interested in the same block of ordinary shares in which Ms. Law is interested.
2. Ms. Law is legally and beneficially interested in 40% of the entire issued share capital of Ming Fung Holdings (Hong Kong) Limited, which in turn is directly interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited, which in turn is directly interested in 396,000,000 shares of the Company, representing 66% of the entire issued share capital of the Company. In addition, Ms. Law is directly and beneficially interested in 2,040,000 shares of the Company. Ms. Law is the wife of Mr. Yiu. By virtue of the SFO, Ms. Law is deemed to be interested in the same block of ordinary shares in which Mr. Yiu is interested.
3. Ms. Yiu Ho Ting ("Ms. Yiu") is directly and beneficially interested in 5,688,000 shares of the Company. In addition, her husband, Mr. Cheung Justin Chi Yen ("Mr. Cheung"), is directly interested in 1,221,600 shares of the Company. By virtue of the SFO, Ms. Yiu is deemed to be interested in the same block of ordinary shares in which Mr. Cheung is interested.
4. Mr. Yiu Tat Sing is directly and beneficially interested in 1,980,000 shares of the Company. In addition, he has an interest of approximately 11.77% of the entire issued share capital of Winholme Holdings Limited which holds 51,000,000 shares of the Company, representing 8.50% of the entire issued share capital of the Company.
5. Ms. Cheung Wing Yan ("Ms. Cheung"), wife of Mr. Li Chin Keung ("Mr. Li"), is directly interested in 964,800 shares of the Company. By virtue of the SFO, Mr. Li is deemed to be interested in the same block of ordinary shares in which Ms. Cheung is interested. In addition, Mr. Li has an interest of approximately 8.82% of the entire issued share capital of Winholme Holdings Limited which holds 51,000,000 shares of the Company, representing 8.50% of the entire issued share capital of the Company.

(b) ASSOCIATED CORPORATIONS

Director	Note	Associated corporation	Capacity	Total number of securities interested in associated corporation (Long positions)	Approximate percentage of total issued share capital of associated corporations
Yiu Hon Ming	1	Ming Fung Holdings (Hong Kong) Limited	Beneficial owner	60 ordinary shares	60.00%
		Ming Fung Investment Limited	Interest in controlled corporation	840 ordinary shares	95.45%
Law Wai Ping	2	Ming Fung Holdings (Hong Kong) Limited	Beneficial owner	40 ordinary shares	40.00%
		Ming Fung Investment Limited	Interest in controlled corporation	840 ordinary shares	95.45%

Notes:

1. Mr. Yiu is legally and beneficially interested in 60% of the entire issued share capital of Ming Fung Holdings (Hong Kong) Limited, which in turn is directly interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited, which in turn is directly interested in 396,000,000 shares of the Company, representing 66% of the entire issued share capital of the Company.
2. Ms. Law is legally and beneficially interested in 40% of the entire issued share capital of Ming Fung Holdings (Hong Kong) Limited, which in turn is directly interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited, which in turn is directly interested in 396,000,000 shares of the Company, representing 66% of the entire issued share capital of the Company.

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive have taken or deemed to have under such provisions of the SFO); (ii) entered in the register required to be kept by the Company under section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 30 June 2025, each of the following persons and entities, other than a Director and chief executive of the Company, had or were deemed to have interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name	Note	Capacity	Total number of ordinary shares interested or deemed to be interested (Long positions)	Approximate percentage of total issued share capital of the Company
Ming Fung Investment Limited	1	Beneficial owner	396,000,000	66.00%
Ming Fung Holdings (Hong Kong) Limited	1	Interest in controlled corporation	396,000,000	66.00%
Winholme Holdings Limited	2	Beneficial owner	51,000,000	8.50%
Tang Wai Fong	3	Interest in controlled corporation	51,000,000	8.50%
Chan Kai Ming	4	Interest in controlled corporation	51,000,000	8.50%
Leung Wai Yin Edith	5	Interest of spouse	51,000,000	8.50%
David Michael Webb and Karen Anne Webb	6	Interest in controlled corporation	48,164,000	8.03%

Notes:

1. Ming Fung Holdings (Hong Kong) Limited is interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited.
2. Mr. Li Chin Keung, the Managing Director of the Company and an executive Director, is the legal and beneficial owner of approximately 8.82% of the entire issued share capital of Winholme Holdings Limited. Mr. Yiu Tat Sing, the Deputy Chairman of the Board and an executive Director, is the legal and beneficial owner of approximately 11.77% of the entire issued share capital of Winholme Holdings Limited.
3. Ms. Tang Wai Fong is the legal and beneficial owner of approximately 44.12% of the entire issued share capital of Winholme Holdings Limited.
4. Mr. Chan Kai Ming is the legal and beneficial owner of approximately 35.29% of the entire issued share capital of Winholme Holdings Limited.
5. Ms. Leung Wai Yin Edith is the wife of Mr. Chan Kai Ming. By virtue of the SFO, she is deemed to be interested in the same block of shares in which Mr. Chan Kai Ming is interested.
6. Of the 48,164,000 shares of the Company jointly held by Mr. David Michael Webb and Ms. Karen Anne Webb, 19,785,200 shares of the Company were held through their jointly wholly-owned company, Member One Limited, and 28,378,800 shares of the Company were held through their jointly wholly-owned company, Preferable Situation Assets Limited.

Save as disclosed above, as at 30 June 2025, the Company has not been notified by any person or entity who had or were deemed to have interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE SCHEMES

During the six months ended 30 June 2025, the Company did not have any share schemes.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDER

On 14 February 2020, Max Surplus Corporation Limited ("Max Surplus") and Winox Enterprise Company Limited ("Winox Enterprise"), both are wholly-owned subsidiaries of the Company, as borrowers, entered into a letter of banking facility with a financial institution respectively, for a term loan facility in an aggregate principal amount of up to HK\$65,000,000. The loan facilities (a) are interest bearing, and are secured for Max Surplus and not secured for Winox Enterprise; (b) are repayable by 36 equal monthly instalments, commencing one month after drawdown if the loans under the facilities are used to finance the general working capital requirements of the Group, or are repayable by 60 equal monthly instalments, commencing one month after drawdown if the loans under the facilities are used to finance the capital expenditure requirements of the Group; and (c) contain repayment on demand clause at the discretion of the financial institution. In 2020, HK\$20,000,000 was drawn on 16 April 2020 and HK\$15,000,000 was drawn on 27 May 2020. In 2021, HK\$20,000,000 was drawn on 22 March 2021 and HK\$10,000,000 was drawn on 7 April 2021. All were fully repaid on 28 February 2025.

On 22 October 2021, Max Surplus, as borrower, entered into a letter of banking facility with the same financial institution for a revolving loan facility in a principal amount of USD1,000,000 and a term loan facility in a principal amount of HK\$150,000,000. The revolving loan under these facilities was used for premium financing of a life insurance policy. The term loan under these facilities will be used to finance the capital expenditure requirements of the Group and is repayable by 60 equal monthly instalments, commencing one month after drawdown. The undrawn amount under the term loan facility was cancelled after 29 February 2024. The USD1,000,000 loan, which was drawn on 4 January 2022 from the revolving loan facility, was fully repaid on 17 May 2023; and HK\$20,000,000 was drawn on 16 January 2023 from the term loan facility and was fully repaid on 28 February 2025. The rights, interest and benefits in and under the above policy have been assigned to the lender as a security for the above facilities granted to Max Surplus. Upon full repayment of the loans, the insurance policy was surrendered on 26 March 2025.

Pursuant to these facilities letters, the controlling shareholder of the Company, Mr. Yiu Hon Ming and his family are required, at all times, to hold not less than 50% of the issued shares of the Company ("Specific Performance Obligations"). The breach of the Specific Performance Obligations will cause a default in respect of these loan facilities and the financial institution shall have the right to terminate the commitments and declare all outstanding amounts together with interests accrued thereon and all other sums payable under these loan facilities be immediately due and payable.

As at 30 June 2025, the amount of loan outstanding under these loan facilities was nil. As at 30 June 2025, the unutilised facilities available for drawdown amounted to HK\$2,000,000.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: HK0.5 cents).

REVIEW OF INTERIM RESULTS

The interim results of the Group for the six months ended 30 June 2025 are unaudited, but have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by Hong Kong Institute of Certified Public Accountants, by Messrs. Deloitte Touche Tohmatsu. The interim results of the Group for the six months ended 30 June 2025 have also been reviewed by the Audit Committee.

INVESTOR RELATIONS

The Company recognises the importance of maintaining an effective mutual communication with the financial community and its stakeholders in order to achieve a fair valuation on the Company’s securities as well as to enhance its shareholders’ value. Designated management staff meets with research analysts and institutional investors on an ongoing basis. In addition, the Company utilises its website (www.winox.com) as a channel to provide updated information in a timely manner.