



Smart Globe Holdings Limited

竣球控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1481

INTERIM
REPORT
2025



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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. NG Ho Lun (*Chairman*) (*resigned as Chief Executive Officer on 22 May 2025*)
Mr. CHU Lok Fung Barry (*appointed as Chief Executive Officer on 22 May 2025*)
Mr. CHEN Kun
Mr. LAM Tak Ling Derek

Independent Non-Executive Directors

Dr. WU Ka Chee Davy
Mr. YIU Ho Chi Stephen
Ms. LAW Ying Wai Denise

Company Secretaries

Mr. CHU Lok Fung Barry (*resigned as joint company secretary on 4 September 2025*)
Mr. CHEN Kun
Mr. NG Mo Chun (*appointed as joint company secretary on 4 September 2025*)

Authorised Representatives

Mr. CHU Lok Fung Barry
Mr. CHEN Kun

Audit Committee

Ms. LAW Ying Wai Denise (*Chairperson*)
Dr. WU Ka Chee Davy
Mr. YIU Ho Chi Stephen

Remuneration Committee

Dr. WU Ka Chee Davy (*Chairperson*)
Mr. CHU Lok Fung Barry
Mr. YIU Ho Chi Stephen

Nomination Committee

Mr. NG Ho Lun (*Chairperson*)
Mr. YIU Ho Chi Stephen
Ms. LAW Ying Wai Denise

Legal Adviser

Deacons

Financial Advisers

Asian Capital Limited

Auditor

Baker Tilly Hong Kong Limited

Certified Public Accountants
Registered Public Interest Auditors
Level 8, K11 ATELIER King's Road
728 King's Road
Quarry Bay
Hong Kong

Registered Office

Windward 3
Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

Principal Place of Business in Hong Kong

Suite 5705–10, 57/F, One Island East
Taikoo Place, 18 Westlands Road
Quarry Bay
Hong Kong

Cayman Islands Share Registrar and Transfer Office

Ocorian Trust (Cayman) Limited

Windward 3
Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

Hong Kong Share Registrar and Transfer Office

Tricor Investor Services Limited

17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Company's Websites

<http://www.smartglobe.hk.com>

Stock code

1481

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		Change %
	2025 HK\$'000	2024 HK\$'000	
Revenue	102,489	50,451	103.1
– Supply chain management service segment	47,348	–	N/A
– Printing segment	55,141	50,451	9.3
Gross profit	24,419	6,237	291.5
EBITDA	15,751	(4,878)	N/A
Profit/(loss) attributable to owners of the Company	8,425	(5,669)	N/A
Basic earnings/(loss) per share (HK cents)	0.83	(0.56)	N/A

- The turnaround in financial performance of Smart Globe Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**Period**”) was primarily attributable to (i) the Group succeeded in tapping into the Sub-Saharan Africa market and the demand for the Group’s supply chain management service, in particular logistics services, was overwhelming during the Period; and (ii) the financial performance of the Group’s printing segment stabilised during the Period as the cost control measure contributes a slight increase in the gross profit margin of the Group’s printing segment.
- The board (the “**Board**”) of directors of the Company (the “**Directors**”) does not recommend the payment of interim dividend for the Period (for the six months ended 30 June 2024 (“**2024 H1**”): nil).

MANAGEMENT DISCUSSION AND ANALYSIS

The Board is pleased to present the unaudited condensed consolidated interim results of the Group for the Period, together with the comparative figures for the corresponding period in 2024.

BUSINESS REVIEW

The Group is principally engaged in (i) supply chain management service business; and (ii) printing business.

Supply Chain Management Service Segment

During the Period, the Group's supply chain management service segment experienced exponential growth. It has emerged as one of the Group's principal activities and has generated approximately 46.2% of the Group's revenue during the Period.

The aforementioned growth of the Group's supply chain management service segment resulted from overwhelming demand for our services from commodity traders, mine owners, smelters and leaching plants in the Sub-Saharan Africa region. In order to meet these demands, apart from utilising the Group's leased trucking fleets, the Group also collaborated with local strategic fleet partner to provide flexibility on fleet management.

In the meantime, the Group completed its acquisition of the land located in the Republic of Zambia ("**Zambia**") near the border of Democratic Republic of Congo (the "**DRC**") in January 2025, and has been constructing warehouse building as part of the Group's planned logistics center during the Period.

Printing Segment

The printing segment of the Group specialises in printing of books, novelty and packaging products, offering an extensive suite of services that encompasses the entire printing process, from pre-press to finishing and producing customised value-added printing products. Despite the difficulties and challenges encountered by the Group from the fierce market and keen competition, the Group continues to explore and capture new business opportunities by enhancing its marketing strategy.

During the Period, the Group's printing segment generated profits, driven by the stabilisation of operations, as cost control measures led to a slight improvement in the segment's gross profit margin.

FINANCIAL REVIEW

Revenue

The following table sets forth the Group's revenue by business segments for the periods indicated:

	Six months ended 30 June		Proportion to total revenue	
	2025 HK\$'000	2024 HK\$'000	2025 %	2024 %
Supply chain management service segment	47,348	—	46.2	—
Printing segment	55,141	50,451	53.8	100.0
Total	102,489	50,451	100.0	100.0

During the Period, revenue generated by supply chain management service segment and the printing segment accounted for approximately 46.2% and approximately 53.8% of total revenue of the Group, respectively. The increase in revenue was mainly attributable to the significant increase in the supply chain management service segment (in particular the logistics services) resulted from the overwhelming demand during the Period, coupled with the slight increase in revenue in the printing segment resulted from operation stabilisation and cost control measures during the Period.

Gross profit and gross profit margin

The following table sets forth the Group's gross profit and gross profit margin by business segments for the periods indicated:

	Gross profit for the six months ended 30 June		Gross profit margin for the six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000	2025 %	2024 %
Supply chain management service segment	14,425	—	30.5	—
Printing segment	9,994	6,237	18.1	12.4
Total	24,419	6,237	23.8	12.4

During the Period, the Group's gross profit amounted to approximately HK\$24.4 million, representing a significant increase of approximately 291.5% as compared to the gross profit of approximately HK\$6.2 million for 2024 H1. Such increase was primarily attributable to (i) the Group succeeded in tapping into the Sub-Saharan Africa market and the demand for the Group's supply chain management service, in particular logistics services, was overwhelming during the Period; and (ii) the financial performance of the Group's printing segment stabilised during the Period as the cost control measures contributes a slight increase in the gross profit margin of the Group's printing segment.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (continued)

Other income/other gains and losses

Other income increased by approximately HK\$1.3 million to approximately HK\$2.3 million for the Period from approximately HK\$1.0 million for 2024 H1, mainly due to increase in receipt of government grants of approximately HK\$2.0 million during the Period and partially offset by decrease in bank interest income of approximately HK\$0.7 million.

Other gains and losses represented net exchange gain increased by approximately HK\$1.0 million from gain of approximately HK\$0.7 million for 2024 H1 to gain of approximately HK\$1.7 million for the Period.

Selling and distribution costs

Selling and distribution costs remained relatively stable with a slight decrease from approximately HK\$3.0 million for 2024 H1 to approximately HK\$2.7 million for the Period.

Administrative expenses

Administrative expenses remained relatively stable with a slight increase from approximately HK\$10.4 million for 2024 H1 to approximately HK\$11.1 million for the Period.

Tax expenses

The Group recorded tax expenses of approximately HK\$3.5 million for the Period (2024 H1: nil) as the Group generated assessable profit during the Period.

Profit for the period

As a result of the above factors, net profit of approximately HK\$10.5 million was recorded for the Period (2024 H1: net loss of approximately HK\$5.7 million).

The above financial data were chosen to be presented in this report as they represent a material financial impact on the financial statements of the Group for 2024 H1 and the Period. The Board believes that by presenting the changes of these financial data, they can effectively explain the financial performance of the Group for the Period.

OUTLOOK

The Group's supply chain management service segment, focused on Sub-Saharan Africa, is entering a critical growth phase supported by substantial infrastructure development and strategic partnerships. After acquiring the land in Zambia near the DRC border in January 2025, the Group has made significant progress in constructing its comprehensive logistics center. This facility, partially completed as of mid-2025, will include warehouses, truck parking, and vehicle maintenance areas designed to serve as a regional logistics gateway facilitating cross-border trade. The location's proximity to key trade borders is expected to increase customs clearance efficiency and reduce logistics costs, drawing collaboration with both international and local logistics partners. It is expected that following the completion of the development of the logistics center, the supply chain management service segment of the Company shall include the following key operations:

- Logistics services: Managing a diversified fleet fitting the needs to transport raw materials and commodities (such as tailings, copper concentrate, sulphur etc.) with key customers including commodity traders, mine owners, smelters and leaching plants across Sub-Saharan Africa.
- Warehousing services: Developing a comprehensive logistics center in Zambia, close to the DRC border, serving as a critical hub offering integrated warehousing services such as warehousing, stock management and control, transshipment and customs facilitation.
- Value-added services: Delivering end-to-end supply chain management services with real-time cargo monitoring, risk control systems, and collaboration with leading global logistics partners such as COSCO Shipping Africa, enhancing operational efficiency and service reliability.

Looking ahead, the Company anticipates that as the logistics center achieves full operational capacity and further strategic collaborations materialise, the supply chain management service segment will become a vital contributor to the Group's overall revenue and profitability. To facilitate the rapid expansion and to secure first-mover advantage, the Company intends to seek additional financing in the near future to fund its own trucking fleet expansion and further development of the logistics center. The Company's ongoing expansion and service enhancement efforts position itself to meet growing market demand and to further strengthen its competitive advantage in Sub-Saharan Africa's fragmented logistics landscape.

While the printing industry continues to face challenges from digital transformation, global competition and economic uncertainty, the Group will continue to enhance its marketing strategy to expand its high-quality customer base and be strategic in customer selection and promote its one-stop printing services to both existing and potential customers amid the challenging environment. The Group will also continue to further tighten control over operating expenses and streamline production processes to improve overall production efficiency.

Riding on the success of the Company's supply chain management service segment, the Board considers that an integrated business approach combining the exploration of new business opportunities and the solidification of its existing business are in the best interest of the Group in the long run, as it would mitigate the overall risk exposure of the business of the Group and enable the Group to adapt to shifting market conditions in any global crisis and uncertainty.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group generally finances its operations with its internally generated cash flows and cash reserves. The Group is financially sound with healthy cash position. The Group's cash and bank balances as at 30 June 2025 amounted to approximately HK\$47.2 million (as at 31 December 2024: approximately HK\$55.3 million).

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Current ratio	2.2	4.3
Gearing ratio	20.0%	7.1%

The Group's current ratio, which was calculated as current assets divided by current liabilities as at the relevant reporting date, stood at approximately 2.2 as at 30 June 2025 (as at 31 December 2024: approximately 4.3). The Group's gearing ratio, which was calculated as total interest-bearing liabilities divided by owner's equity as at the relevant reporting date, was approximately 20.0% as at 30 June 2025 (as at 31 December 2024: approximately 7.1%).

The capital structure of the Group consists of debts, which mainly include convertible bonds and equity reserves attributable to owners of the Company which comprises issued ordinary Shares and various reserves. The Board shall review the Group's cost and risks of capital on a regular basis with the aim to achieve the optimal capital structure for the Group.

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Period. To manage liquidity risk, the management monitors the Group's liquidity position and maintains sufficient cash and cash equivalents. The management also monitors the availability of the Group's funding through an adequate amount of committed credit facilities and the ability to settle the payables of the Group.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

As its revenue from both supply chain management service segment and printing segment is mainly denominated in the United States dollars ("US\$") and/or Hong Kong dollars ("HK\$"), and HK\$ is pegged to US\$, the Group's exposure to fluctuations in exchange rate in relation to the Group's revenue is relatively low.

The Group is exposed to foreign exchange risks as the Group's production is mainly in the People's Republic of China ("PRC"). The appreciation of Renminbi ("RMB") may lead to an increase of our cost of production. As the transactions of the Group's subsidiaries in Zambia are mostly denominated in US\$ (which is pegged to HK\$), the Group's exposure to fluctuations in exchange rate is limited. However, given that the financial statements of the Group's subsidiaries in Zambia are presented in Zambian Kwacha ("ZMW"), exchange differences arising from translation between ZMW and HK\$ are recognised in the foreign currency translation reserve in equity, but with no immediate impact on profit or loss.

During the Period, the Group has not entered into any financial instrument for hedging purposes nor other hedging instruments to hedge against foreign exchange rate risks. The Group will keep on reviewing and monitoring the exchange fluctuation between RMB and HK\$, and will consider entering into hedging arrangement as and when appropriate.

CAPITAL EXPENDITURE, CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

During the Period, the Group acquired property, plant and equipment amounting to approximately HK\$14.3 million (2024 H1: approximately HK\$0.4 million).

During the Period, the Group acquired right-of-use assets amounting to approximately HK\$28.5 million (2024 H1: nil) due to (1) entered into a lease agreement for an office in Hong Kong; and (2) entered into two lease agreements for the use of leasehold land located in Zambia with Zambia's government.

As at 30 June 2025, the Group has capital commitment, which are authorised and contracted but not provided for, in respect of (i) acquisition of property, plant and equipment amounting to approximately HK\$0.5 million (as at 31 December 2024: approximately HK\$1.1 million); (ii) construction-in-progress amounting to approximately HK\$1.3 million (as at 31 December 2024: approximately HK\$11.2 million); and (iii) no commitment for acquisition of land (as at 31 December 2024: approximately HK\$27.1 million). Furthermore, the Group had no material contingent liabilities as at 30 June 2025 (as at 31 December 2024: nil).

DIVIDENDS

The Board does not recommend the payment of interim dividend for the Period (2024 H1: nil).

SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

References are made to the announcements of the Company dated 26 November 2024 and 3 January 2025. On 26 November 2024, Tera Logistics Limited ("**Tera Logistics**" as purchaser), an indirect wholly owned subsidiary of the Company, Heng Qu Investment Zambia Limited ("**Heng Qu**" as vendor) and Mr. Du Chunqing ("**Mr. Du**" as guarantor of Heng Qu) entered into the sale and purchase agreement (the "**Sale and Purchase Agreement**"), pursuant to which (i) Tera Logistics has conditionally agreed to purchase, and Heng Qu has conditionally agreed to sell the Land, at an aggregate consideration of US\$3,500,000 (equivalent to approximately HK\$27.1 million); and (ii) Mr. Du (as guarantor) has agreed to guarantee the performance of the obligations of Heng Qu under the Sale and Purchase Agreement. On the same day, Huge Cheer Limited ("**Huge Cheer**"), an indirect wholly owned subsidiary of the Company (as issuer), DCQ Holdings Limited ("**DCQ**" as subscriber) and Mr. Du (as guarantor of DCQ) entered into the share subscription agreement (the "**Share Subscription Agreement**"), pursuant to which (i) Huge Cheer has conditionally agreed to allot and issue, and DCQ has conditionally agreed to subscribe for, 2,500 shares in Huge Cheer (the "**Subscription Shares**") at the subscription price of HK\$2,170 per Subscription Share, representing 20% of the issued shares of Huge Cheer as enlarged by the Subscription Shares, at a total consideration of HK\$5,425,000 in cash (the "**Huge Cheer Share Subscription**"); and (ii) Mr. Du (as guarantor) has agreed to guarantee the performance of the obligations of DCQ under the Share Subscription Agreement. Upon completion of the allotment and issuance of the Subscription Shares, the Group's shareholding interest in Huge Cheer will be decreased from 100% to 80%, which constitutes a deemed disposal of the Company under Rule 14.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). On 3 January 2025, the acquisition of Land and the Huge Cheer Share Subscription was completed.

Save as disclosed herein, during the Period, the Company did not make any material acquisitions and disposals of subsidiaries, associates, joint ventures, significant investments nor capital commitment.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save for the plan of further development of logistics center in Zambia as disclosed in this report, the Group did not have other plans for material investments or purchase of capital assets.

CHARGE ON GROUP'S ASSETS

The Group did not have any charges on assets as at 30 June 2025 (as at 31 December 2024: nil).

EMPLOYEES' INFORMATION AND EMOLUMENT POLICIES

Our employees are based in Hong Kong, Heyuan, Guangdong Province, the PRC and Zambia. As at 30 June 2025, there were 339 (as at 31 December 2024: 438) employees of the Group. The total staff costs, including directors' emoluments, amounted to approximately HK\$21.1 million for the Period (2024 H1: approximately HK\$20.0 million). Staff remuneration packages are determined based on market conditions and the performance of the individuals concerned, and are subject to review from time to time. The Group also provides other staff benefits including medical insurance, and grants discretionary incentive bonuses to eligible staff based on their performance and contributions to the Group.

The workers are mainly based at our production site located at Heyuan Hi-Tech Development Zone, Heyuan, Guangdong Province, the PRC (the "**Heyuan Factory**"). As at 30 June 2025, there were 301 (as at 31 December 2024: 406) employees in the Heyuan Factory.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

On 26 November 2024, the Company entered into, among others, the convertible bonds subscription agreement, pursuant to which the convertible bonds in the principal amount of HK\$20,100,000 (the "**Convertible Bonds**") were subsequently issued on 3 January 2025 under the general mandate granted in the annual general meeting held on 27 May 2024 (the "**CB Subscription**"). The Convertible Bonds may be converted into a maximum number of 16,750,000 shares of the Company at a conversion price of HK\$1.2 per share. The conversion period shall commence on 3 July 2026 and end on 3 January 2028. The maturity date shall be three years from the date of issue, i.e. 3 January 2028. As at the date of this report, none of the Convertible Bonds has been exercised.

The Company intends to utilise the proceeds from the CB Subscription as funding for general working capital for its supply chain management service segment (including further expansion of its logistics fleet and development of own logistics center on the Land). The subscriber of Convertible Bonds is DCQ, a company incorporated under the laws of the BVI and is wholly owned by Mr. Du. DCQ is principally engaged in investment holding. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, DCQ and Mr. Du are third parties independent of and not connected with the Company and its connected person. For details of the CB Subscription, please refer to the announcements of the Company dated 26 November 2024 and 3 January 2025. As at the date of this report, the entire amount of the net proceeds from the CB Subscription remained unutilised and is expected to be utilised on or before 31 December 2026.

Apart from the Company's issue of the Convertible Bonds as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold, or redeemed any of the securities of the Company during the Period and up to the date of this report.

USE OF PROCEEDS IN RELATION TO THE 2022 PLACING

References are made to the announcements of the Company dated 15 July 2022, 5 August 2022, 15 August 2022, 12 October 2022, 30 November 2022, 31 January 2023, 31 March 2023, 5 July 2023 and 26 November 2024.

On 15 July 2022, the Company entered into a subscription agreement (the “**Subscription Agreement**”) with Hubei Kang Shi Zhen Yi Yao Technology Co., Ltd.* (湖北康時珍醫藥科技有限公司) (the “**Target Company**”), pursuant to which the Company has conditionally agreed to subscribe for 30% enlarged registered capital in the Target Company upon the completion, at the subscription price of HK\$30,000,000 (the “**Subscription**”). The completion of the Subscription is conditional upon, among other things, the Company having completed its due diligence investigation on the Target Company and in its absolute discretion satisfied with the results thereof. For further details, please refer to the announcement of the Company dated 15 July 2022.

On 5 August 2022, the Company placed an aggregate of 20,000,000 placing Shares to the independent third party at the placing price of HK\$1.05 per placing Share, raising net proceeds of approximately HK\$20.7 million for the purpose of the pharmaceutical related projects’ investment (the “**2022 Placing**”).

On 15 August 2022, the Company entered into a supplemental deed with the Target Company to advance an RMB amount equivalent to HK\$7,000,000 at interest rate of 5% per annum to the Target Company for the purpose of Target Company’s operation and future expansion plan (the “**Advancement**”). Upon satisfaction or waiving of the conditions precedent as stated in the Subscription Agreement, the Advancement will form part of Subscription consideration. To secure the Advancement made by the Company to the Target Company, the Company requested Fuyou Pharmaceutical Technology (Suzhou) Co., Ltd (“**Fuyou Pharmaceutical**”, being substantial shareholder of the Target Company) to pledge its 10% equity interests in the Target Company in favour of the Company (or its nominee).

Due to the prolonged due diligence investigation process, the Company decided to cease to proceed with the transaction and Subscription and entered into a deed of assignment and novation with Riverton Holdings Limited (“**Riverton**”), CP Printing (Heyuan) Limited* (同利紙製品(河源)有限公司) (“**Tong Li**”, being an indirect wholly-owned subsidiary of the Company) and Fuyou Pharmaceutical on 5 July 2023, whereby, among other things, (i) the Company and Tong Li assigns and transfers all their right, title, benefit, interest, property, claim, demand, covenants, undertakings, obligations and liabilities in the agreement to Riverton and (ii) Fuyou Pharmaceutical releases and discharges Tong Li from all its obligations and liabilities under the share pledge agreement dated 15 August 2022 entered into between Tong Li and Fuyou Pharmaceutical, for a consideration of HK\$7,000,000 to recover the Advancement for the Group’s continued development of its core business activities.

On 26 November 2024, the Group entered into the sale and purchase agreement and a memorandum of understanding to seize the potential business opportunity in the logistics industry in Sub-Saharan Africa. As a result, the Group expected to incur substantial upfront costs at the early stage of this investment opportunity arising from, among other things, the purchase of the Land. Given that the Group had yet to identify any pharmaceutical related projects that are worth investing in, on 26 November 2024, the Board resolved to change the use of the net proceeds from the 2022 Placing. For further details, please refer to the announcement of the Company dated 26 November 2024. As of the date of this report, the net proceeds of HK\$20.7 million (including the recovered Advancement) have been fully utilised as part of the consideration for the acquisition of the Land.

* For identification purpose only.

MANAGEMENT DISCUSSION AND ANALYSIS

USE OF PROCEEDS IN RELATION TO THE 2022 PLACING (continued)

Details of the net proceeds allocations and remaining balance during the Period and up to the date of this report are set out as below:

	Amount unutilised as at 1 January 2025 <i>Approximately HK\$' million</i>	Amount utilised during the Period <i>Approximately HK\$' million</i>	Remaining balance as at 30 June 2025 <i>Approximately HK\$' million</i>
Intended use of proceeds:			
Pharmaceutical related projects	–	–	–
Core business activities	–	–	–
Acquisition of the Land in Zambia (approx. 76.3% of the total consideration)	20.7	20.7	–
Total	20.7	20.7	–

CHANGES SINCE 31 DECEMBER 2024

Save and except disclosed in this report, there were no other significant changes in the Group's financial position or from the information disclosed under the section headed "Management Discussion and Analysis" in the annual report of the Company for the year ended 31 December 2024.

OTHER INFORMATION

UPDATE ON INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

As disclosed in the announcement of the Company dated 22 May 2025, Mr. Ng Ho Lun ceased to be chief executive officer and remained as an executive Director and chairman, while Mr. Chu Lok Fung Barry (an executive Director) was appointed as chief executive officer.

During the Period, save as disclosed above, there are no updates on information of directors and chief executives which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

SHARE OPTION SCHEME

A share option scheme (the “**Share Option Scheme**”) has been conditionally adopted by the Company on 4 December 2017, with an effective term of 10 years from the same date.

As no share option has been granted by the Company under the Share Option Scheme since the date of listing, there was no share option outstanding as at 30 June 2025 and no share option was granted, exercised, cancelled or lapsed during the Period.

As at 1 January 2025 and 30 June 2025, the number of Shares available for grant under the Share Option Scheme remained at 100,000,000 Shares, representing approximately 9.8% of the issued share capital of the Company as at the date of this report.

DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests of the Directors, chief executive and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “**SFO**”), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules, were as follows:

Long positions

Ordinary shares of HK\$0.01 each of the Company

Name of Director	Capacity	Number of Shares held	Percentage of the issued Shares of the Company
NG Ho Lun (“ Mr. Ng ”)	Held by controlled corporation (note 1)	750,000,000	73.53%

Note:

- (1) The Company is directly owned as to 73.53% by TeraMetal Holdings Limited (“**TeraMetal**”), a company wholly-owned by Mr. Ng. By virtue of the SFO, Mr. Ng is deemed to be interested in the Shares held by TeraMetal.

Save as disclosed above, as at 30 June 2025, none of the Directors nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations.

OTHER INFORMATION

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

As at 30 June 2025, the following shareholders and persons (not being a Director or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholders	Capacity	Number of Shares held	Percentage of the issued Shares of the Company
TeraMetal	Beneficial owner	750,000,000	73.53%
LIU Chujia (" Mrs. Ng ")	Interest of spouse (<i>note 1</i>)	750,000,000	73.53%

Note:

- (1) Mrs. Ng, being the spouse of Mr. Ng, is deemed to be interested in 750,000,000 Shares in which Mr. Ng is interested through TeraMetal.

Save as disclosed above, as at 30 June 2025, the Directors are not aware of any other persons who had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company and recorded in the register required to be kept by the Company under section 336 of the SFO.

MANAGEMENT CONTRACT

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company, which were not a contract of service with any Director or any person engaged in full-time employment of the Company, were entered into or existed during the Period.

CONTROLLING SHAREHOLDERS' INTERESTS IN SIGNIFICANT CONTRACTS

As far as the Directors are aware, at no time during the Period had the Company or any of its subsidiaries and the controlling shareholders (the "**Controlling Shareholders**") or any of their subsidiaries entered into any contract(s) of significance for the provision of services by the Controlling Shareholder or any of their subsidiaries to the Company or any of its subsidiaries.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN A COMPETING BUSINESS

None of the Directors and the Controlling Shareholders of the Company or their respective close associates (as defined in the Listing Rules) is or was interested in any business apart from the Group's business, that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the Period.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Subsequent to the Period, the construction of part of the warehouse building in the logistics center located on the land in Zambia has been completed. On 21 July 2025, Tera Fleet Management DMCC, an indirect non-wholly owned subsidiary of the Company, had entered into a services agreement with COSCO SHIPPING Africa (Pty) Ltd to formalise the proposed strategic cooperation. For further details, please refer to the announcement of the Company dated 21 July 2025.

Apart from those as disclosed above, there were no significant events subsequent to 30 June 2025 which would materially affect the Group's operating and financial performance as of the date of this report.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance to enhance its corporate value and safeguard the interests of the shareholders of the Company (the **"Shareholders"**). The Company has adopted the Corporate Governance Code in Appendix C1 to the Listing Rules (the **"CG Code"**) as its own code of corporate governance. During the Period, the Company has applied the principles of good corporate governance, and has complied with the code provisions after the change of Chief Executive Officer (as defined below) as set out below and, where applicable, the recommended best practices as set out in the CG Code.

Code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Ng performed the roles of chairman and chief executive officer of the Company until 22 May 2025. Despite of the deviation from the code provision C.2.1, the Board believed that with the support of the management, vesting the roles of both chairman of the Board and chief executive officer on Mr. Ng can facilitate the execution of the Group's business strategies and provide a strong and consistent leadership to improve the Company's efficiency in decision-making following the review of the aforementioned items. Moreover, under the supervision of other existing members of the Board including the independent non-executive Directors, the Board was appropriately structured with balance of power to provide sufficient checks to protect the interest of the Company and its shareholders.

In order to set out clearer division of responsibilities at the board level and the management team to ensure a more proper segregation of the management of the board of the Company and the management of the Group's business as required pursuant to the code provision C.2.1 of the CG Code as set out in the Appendix C1 to the Listing Rules as mentioned under the paragraph "UPDATE ON INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES", Mr. Ng resigned as the chief executive officer of the Company (the **"Chief Executive Officer"**) with effect from 22 May 2025 while remains as an executive Director of the Company and the chairman of the Board to provide his valuable insight and perspective to the Board. Mr. CHU Lok Fung Barry (**"Mr. Chu"**), who is currently an executive Director, has been appointed as the Chief Executive Officer with effect from 22 May 2025. Mr. Chu will oversee the management of the Group's business. Upon the change of Chief Executive Officer, the Company has fully complied with all applicable code provisions of the CG Code.

The Board will continue to monitor and renew the Company's corporate governance practices to ensure compliance with the CG Code.

The Board conducted reviews of the system of risk management and internal controls of the Group to ensure an effective and adequate risk management and internal control system is in place. The Board also conducted meetings to discuss financial, operational and compliance control.

OTHER INFORMATION

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard as set out in the Model Code. Specific enquiries have been made of all Directors and all Directors have confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the Period.

AUDIT COMMITTEE

The audit committee of the Company (the **"Audit Committee"**) currently comprises all three independent non-executive Directors, namely Ms. LAW Ying Wai Denise, Dr. WU Ka Chee Davy and Mr. YIU Ho Chi Stephen. The chairperson of the Audit Committee is Ms. LAW Ying Wai Denise, who holds the appropriate professional qualifications. None of the members of the Audit Committee are former partners of the Company's existing external auditors. The Audit Committee has adopted terms of reference which are in line with the code provisions of the CG Code.

REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee has reviewed with the management of the Company (the **"Management"**) the accounting principles and practices adopted by the Group and discussed with the Management regarding the risk management and internal controls systems and financial reporting matters including a general review of the unaudited condensed consolidated interim financial information of the Group for the Period and does not have any disagreement with the accounting treatment adopted by the Company.

The unaudited condensed consolidated interim financial information of the Group for the Period has also been reviewed by the Group's external auditor, Baker Tilly Hong Kong Limited, 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 Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM REPORT

The interim report of the Company for the six months ended 30 June 2025 containing all the relevant information required by the Listing Rules and the relevant laws and regulations has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.smartglobehk.com), respectively.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



To the board of directors of Smart Globe Holdings Limited
竣球控股有限公司
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Smart Globe Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 18 to 34, which comprise the consolidated statement of financial position as at 30 June 2025 and the related consolidated statement of profit or loss and other comprehensive income, 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**”) issued by the Hong Kong Institute of Certified Public Accountants. 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, based on our review, on these condensed consolidated financial statements 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 Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making enquiries, 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.

Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, 26 August 2025

Li Man Chun Jesse

Practising certificate number P08302

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Revenue	3	102,489	50,451
Cost of sales		(78,070)	(44,214)
Gross profit		24,419	6,237
Other income	4	2,349	967
Other gains and losses	5	1,700	651
Selling and distribution costs		(2,650)	(3,019)
Administrative expenses		(11,081)	(10,373)
Finance costs	6	(708)	(132)
Profit/(loss) before taxation		14,029	(5,669)
Taxation	7	(3,538)	–
Profit/(loss) for the period		10,491	(5,669)
Other comprehensive income/(expense)			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
– Exchange differences arising on translation of foreign operations		1,381	(940)
Total comprehensive income/(expense) for the period		11,872	(6,609)
Profit/(loss) for the period attributable to:			
Owners of the Company		8,425	(5,669)
Non-controlling interests		2,066	–
		10,491	(5,669)
Total comprehensive income/(expense) attributable to:			
Owners of the Company		9,700	(6,609)
Non-controlling interests		2,172	–
		11,872	(6,609)
		HK cents	HK cents
Earnings/(loss) per share			
– Basic and diluted	9	0.83	(0.56)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	As at 30 June 2025 HK\$'000 (unaudited)	As at 31 December 2024 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	10	38,140	25,575
Right-of-use assets	11	35,469	7,852
Deposits paid for property, plant and equipment		—	2,041
		73,609	35,468
Current assets			
Inventories		17,218	17,504
Trade and other receivables	12	84,810	34,237
Bank balances and cash		47,217	55,284
		149,245	107,025
Current liabilities			
Trade and other payables	13	59,914	20,410
Contract liabilities		624	926
Lease liabilities		4,201	3,584
Tax payable		3,700	—
		68,439	24,920
Net current assets		80,806	82,105
Total assets less current liabilities		154,415	117,573
Non-current liabilities			
Lease liabilities		3,390	4,414
Convertible bonds	14	17,552	—
		20,942	4,414
NET ASSETS		133,473	113,159
Capital and reserves			
Share capital	15	10,200	10,200
Reserves		115,676	102,959
Equity attributable to owners of the Company		125,876	113,159
Non-controlling interests		7,597	—
TOTAL EQUITY		133,473	113,159

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Share capital HK\$'000	Share premium HK\$'000	Convertible bonds equity reserve HK\$'000 (note 14)	PRC statutory reserves HK\$'000 (note (a))	Special reserve HK\$'000 (note (b))	Translation reserve HK\$'000	Retained profits HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1 January 2024 (audited)	10,200	55,130	-	379	12,290	(5,520)	54,124	126,603	-	126,603
Loss for the period	-	-	-	-	-	-	(5,669)	(5,669)	-	(5,669)
Other comprehensive expense for the period:										
- Exchange differences arising on translation of foreign operations	-	-	-	-	-	(940)	-	(940)	-	(940)
Total comprehensive expense for the period	-	-	-	-	-	(940)	(5,669)	(6,609)	-	(6,609)
At 30 June 2024 (unaudited)	10,200	55,130	-	379	12,290	(6,460)	48,455	119,994	-	119,994
At 1 January 2025 (audited)	10,200	55,130	-	379	12,290	(6,964)	42,124	113,159	-	113,159
Profit for the period	-	-	-	-	-	-	8,425	8,425	2,066	10,491
Other comprehensive income for the period:										
- Exchange differences arising on translation of foreign operations	-	-	-	-	-	1,275	-	1,275	106	1,381
Total comprehensive income for the period	-	-	-	-	-	1,275	8,425	9,700	2,172	11,872
Transactions with owners in their capacity as owners:										
- Recognition of convertible bonds	-	-	3,017	-	-	-	-	3,017	-	3,017
- Deemed disposal of a subsidiary without losing control (note 11)	-	-	-	-	-	-	-	-	5,425	5,425
	-	-	3,017	-	-	-	-	3,017	5,425	8,442
At 30 June 2025 (unaudited)	10,200	55,130	3,017	379	12,290	(5,689)	50,549	125,876	7,597	133,473

Notes:

- (a) The People's Republic of China ("PRC") statutory reserve is non-distributable and transfer to this reserve is determined according to the relevant laws in the PRC and by the board of directors of the PRC subsidiary in accordance with the Articles of Association of the subsidiary.
- (b) The special reserve of Smart Globe Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") represented the difference between the nominal value of the share capital of the Company and the nominal value of the share capital of CP Printing Limited, a wholly-owned subsidiary of the Company, pursuant to a group reorganisation in preparation for the listing of the Company's shares.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash generated from/(used in) operating activities	8,242	(12,468)
Investing activities		
Purchase of property, plant and equipment (<i>note 10</i>)	(12,209)	(389)
Payments for right-of-use assets (<i>note 11</i>)	(27,125)	–
Interest received	252	920
Net cash (used in)/generated from investing activities	(39,082)	531
Financing activities		
Repayment of lease liabilities	(1,920)	(1,230)
Interest paid	(239)	(132)
Proceeds from issuance of convertible bonds (<i>note 14</i>)	20,100	–
Proceeds from deemed disposal of a subsidiary without losing control	5,425	–
Net cash generated from/(used in) financing activities	23,366	(1,362)
Net decrease in cash and cash equivalents	(7,474)	(13,299)
Cash and cash equivalents at beginning of the period	55,284	65,647
Effect of foreign exchange rate changes	(593)	163
Cash and cash equivalents at the end of the period, represented by bank balances and cash	47,217	52,511

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1 GENERAL INFORMATION AND BASIS OF PREPARATION

The Group is principally engaged in (i) supply chain management service business; and (ii) printing business.

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

2 PRINCIPAL ACCOUNTING POLICIES

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

Other than additional/change in accounting policies resulting from newly adopted accounting policies and application of amendments to HKFRS Accounting Standards, and application of certain accounting policies which become relevant to the Group, 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 six months ended 30 June 2025, the Group has applied the following amendments to HKFRS Accounting Standards 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
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The application of the amendments to HKFRS Accounting Standards in the six months ended 30 June 2025 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.

Additional accounting policies

Convertible bonds

The component parts of the convertible bonds are classified separately as financial liability and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company’s own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component (including any embedded non-equity derivatives features) is estimated by measuring the fair value of similar liability that does not have an associated equity component.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

2 PRINCIPAL ACCOUNTING POLICIES (continued)

Additional accounting policies (continued)

Convertible bonds (continued)

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible bonds, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

3 REVENUE AND SEGMENT INFORMATION

Revenue

Revenue represents amounts received or receivable from printing products, and supply chain management service, which included material sourcing and logistics service.

Disaggregation of revenue from contracts with customers under HKFRS 15

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Revenue recognised at a point in time:		
Printing products	55,141	50,451
Material sourcing	85	—
	<u>55,226</u>	<u>50,451</u>
Revenue recognised over time:		
Logistics service	47,263	—
	<u>47,263</u>	<u>—</u>
Total revenue	<u>102,489</u>	<u>50,451</u>

Revenue from printing products

The Group's contracts with customers for printing products (including books, novelty and packaging products) are based on customer's specification with no alternative use to the Group. Taking into consideration for contract terms and the relevant legal and regulatory environment that applies to those relevant contracts, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specified location. Transporting and handling activities that occur before customer obtain control are considered as fulfilment activities. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 30 to 90 days upon delivery.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

3 REVENUE AND SEGMENT INFORMATION (continued)

Revenue (continued)

Disaggregation of revenue from contracts with customers under HKFRS 15 (continued)

Revenue from supply chain management service

Supply chain management service included the following services:–

- Material sourcing

The Group's contracts with customers for material sourcing comprise an integrated service to procure the required goods and deliver them to the customer across countries in Sub-Saharan Africa. Taking into consideration the contract terms and the relevant legal and regulatory environment that applies to those contracts, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the customer's specified location. Transporting and handling activities that occur before customer obtain control are considered as fulfilment activities. The normal credit term is 30 to 60 days upon issuance of invoices.

- Logistics service

Logistic service involve handling cargoes transported by trucks across countries in Sub-Saharan Africa. Revenue is recognised over the transit time from the points of departure to the agreed off-loading points, as performance obligations are satisfied over time. The standard credit term is 30 to 60 days upon issuance of invoices.

For certain of the Group's customers, the Group receives deposits before commencement of production and/or procurements of material, which gives rise to contract liabilities until the goods or services have been performed.

Transaction price allocated to the remaining performance obligation for contracts with customers

All sales/service contracts are for period of one year or less. As permitted under HKFRS 15 "Revenue from contracts with customers", the transaction price allocated to unsatisfied performance obligations is not disclosed.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

3 REVENUE AND SEGMENT INFORMATION (continued)

Segments information

Information reported to the board of directors of the Company, being the chief operating decision maker (“**CODM**”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

In the second half of 2024, the Group commenced the business engaging in supply chain management service along with the establishment of companies in Republic of Zambia (“**Zambia**”) and it is considered as a new operating and reportable segment by the CODM.

Specifically, the Group’s reportable segments under HKFRS 8 “Operating Segments” are as follows:

Operating segments	Nature of business activities
Printing segment	Printing and sales of books, novelty and packaging products
Supply chain management service segment	Provision of material sourcing and logistics service

Segment revenues and results

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

For the six months ended 30 June 2025

	Printing segment HK\$’000 (unaudited)	Supply chain management service segment HK\$’000 (unaudited)	Total HK\$’000 (unaudited)
Segment revenue			
External sales	55,141	47,348	102,489
Segment profit	2,371	14,775	17,146
Unallocated other income, other gains and losses			50
Unallocated administrative expense			(3,167)
Profit before tax			14,029

For the six months ended 30 June 2024, the Group operated under a single reporting segment, namely printing segment, therefore, no separate segment revenues and results were disclosed.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

3 REVENUE AND SEGMENT INFORMATION (continued)

Segments information (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

As at 30 June 2025

	Printing segment HK\$'000 (unaudited)	Supply chain management service segment HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Segment assets	107,475	93,372	200,847
Segment liabilities	21,093	50,288	71,381

As at 31 December 2024

	Printing segment HK\$'000 (audited)	Supply chain management service segment HK\$'000 (audited)	Total HK\$'000 (audited)
Segment assets	101,218	40,559	141,777
Segment liabilities	18,097	10,410	28,507

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

4 OTHER INCOME

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Government grants	2,000	–
Bank interest income	252	920
Sundry income	97	47
	<u>2,349</u>	<u>967</u>

Government grants represent export incentive and other incentive payments received by the Group from the relevant government department. There are no unfulfilled conditions attached to these grants.

5 OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net exchange gain	<u>1,700</u>	<u>651</u>

6 FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest on convertible bonds	469	–
Interest on lease liabilities	<u>239</u>	<u>132</u>
	<u>708</u>	<u>132</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

7 TAXATION

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax		
Zambia Income Tax	3,538	—

No provision for Hong Kong Profits Tax has been made for the six months ended 30 June 2025 as the relevant group entities did not have assessable profits subject to Hong Kong Profits Tax for the period (for the six months ended 30 June 2024: nil).

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% for both periods. No provision for PRC Enterprise Income Tax has been made for the six months ended 30 June 2025 as the relevant group entities did not have assessable income subject to the PRC Enterprise Income Tax (for the six months ended 30 June 2024: nil).

Under the Zambia Income Tax Act, Chapter 323 of the Laws of Zambia, the general corporate income tax rate applicable to the Zambia subsidiaries is 30% for the six months ended 30 June 2025 (for the six months ended 30 June 2024: nil).

Under the United Arab Emirates (“**UAE**”) Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, the standard corporate income tax rate applicable to UAE entities is 9%. No provision for UAE Corporate Income Tax has been recognised for the six months ended 30 June 2025, as the relevant group entities did not have assessable income subject to UAE Corporate Income Tax (for the six months ended 30 June 2024: nil).

8 DIVIDENDS

No dividend was paid, declared or proposed during both interim periods. The directors of the Company do not recommended any payment of interim dividend in respect of both interim periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

9 EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share is based on the following data:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit/(loss) for the period attributable to owners of the Company	8,425	(5,669)
	Six months ended 30 June	
	2025	2024
	'000	'000
	(unaudited)	(unaudited)
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	1,020,000	1,020,000

The convertible bonds are not included in the calculation of diluted earnings per share because they are antidilutive since their assumed exercise would result in an increase in earnings per share for the six months ended 30 June 2025.

10 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment and incurred expenditure on construction-in-progress of approximately HK\$4,499,000 (for the six months ended 30 June 2024: approximately HK\$389,000) and approximately HK\$9,751,000 (for the six months ended 30 June 2024: nil), respectively.

11 RIGHT-OF-USE ASSETS

During the six months ended 30 June 2025, the Group entered into new lease agreements for an office unit in Hong Kong and acquired two pieces of leasehold land in Zambia.

For the office unit, a right-of-use asset of approximately HK\$1,410,000 and corresponding lease liabilities of approximately HK\$1,410,000 were recognised upon date of commencement of lease.

For the leasehold lands, a right-of-use asset of approximately HK\$27,125,000 was recognised, of which the acquisition of the leasehold lands was financed by net proceeds from share placing of the Company completed on 5 August 2022 and internal funding. Subsequent to the acquisition, the vendor of the leasehold lands had subscribed (i) 2,500 ordinary shares of a subsidiary of the Group of approximately HK\$5,425,000, which is considered as deemed disposal of equity interest held by the Group from 100% to 80%; and (ii) convertible bonds of approximately HK\$20,100,000 issued by the Company as disclosed in note 14.

No leases have been renewed or newly entered into during the six months ended 30 June 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

12 TRADE AND OTHER RECEIVABLES

	As at 30 June 2025 HK\$'000 (unaudited)	As at 31 December 2024 HK\$'000 (audited)
Trade receivables	78,175	33,515
Less: Allowance for expected credit losses	(1,763)	(1,763)
	76,412	31,752
Rental and other deposits	157	139
Prepayments and other receivables	8,241	2,346
Total trade and other receivables	84,810	34,237

The Group allows credit period ranging from 30 to 90 days. The following ageing analysis of trade receivables, net of allowance for expected credit losses, is presented based on invoice date:

	As at 30 June 2025 HK\$'000 (unaudited)	As at 31 December 2024 HK\$'000 (audited)
Within 30 days	52,910	13,638
31 to 60 days	6,350	7,873
61 to 90 days	10,012	5,024
Over 90 days	7,140	5,217
	76,412	31,752

As at 30 June 2025, included in trade receivables are debtors with aggregate carrying amount of approximately HK\$7,679,000 (as at 31 December 2024: approximately HK\$7,660,000), which are past due at the end of the reporting period. Out of the past due balances, approximately HK\$2,392,000 (as at 31 December 2024: approximately HK\$881,000) has been past due over 90 days and is not considered as in default, as the Group considered such balances could be recovered based on long-term/on-going relationship and good repayment record from these customers. The Group does not hold any collateral over these balances.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

13 TRADE AND OTHER PAYABLES

	As at 30 June 2025 HK\$'000 (unaudited)	As at 31 December 2024 HK\$'000 (audited)
Trade payables	35,350	11,125
Accrued expenses	6,891	7,996
Construction payables	11,619	–
Other payables	6,054	1,289
Total trade and other payables	59,914	20,410

The credit period of trade payables is 30 to 90 days.

The following ageing analysis of trade payables is presented based on the invoice date:

	As at 30 June 2025 HK\$'000 (unaudited)	As at 31 December 2024 HK\$'000 (audited)
Within 30 days	33,469	8,040
31 to 60 days	492	2,827
61 to 90 days	1,015	166
Over 90 days	374	92
	35,350	11,125

14 CONVERTIBLE BONDS

The Company issued HK\$20,100,000 zero coupon interest convertible bonds at a par value of HK\$100,000 each on 3 January 2025 to DCQ Holdings Limited (“**DCQ**”), an independent third-party company. The issuance of the convertible bonds formed part of the financing arrangements for the Group’s acquisition of two pieces of leasehold land located in Zambia. The convertible bonds are denominated in Hong Kong dollars and are unsecured. The convertible bonds entitle the holder to convert them into ordinary shares of the Company at any time between 18 months from the issue date and the third anniversary of the issue date and at a conversion price of HK\$1.20 per share.

The Company has the option (the “**Call Option**”) to redeem the outstanding convertible bonds in full at par at any time prior to maturity. If the convertible bonds have not been converted or redeemed earlier, they will be redeemed on the third anniversary of the issue date at par.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

14 CONVERTIBLE BONDS (continued)

At initial recognition, the equity component of the convertible bonds was separated from the liability component. The equity component is presented in equity under the heading “convertible bonds equity reserve”. The Call Option is considered as closely related to the host debt, and therefore not separately accounted for. The effective interest rate of the liability component is 5.43%.

The movement of the liability component of the convertible bonds for the six months ended 30 June 2025 is set out below:

	HK\$'000 (unaudited)
Carrying amount at initial recognition	17,083
Interest charge	469
Carrying amount at 30 June 2025	17,552

15 SHARE CAPITAL

	Number of shares '000	Share capital HK\$'000
Authorised:		
Ordinary share of HK\$0.01 each		
At 1 January 2024 (audited), 31 December 2024 (audited) and 30 June 2025 (unaudited)	2,000,000	20,000
Issued and fully paid:		
Ordinary share of HK\$0.01 each		
At 1 January 2024 (audited), 31 December 2024 (audited) and 30 June 2025 (unaudited)	1,020,000	10,200

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

16 RELATED PARTY DISCLOSURES

The Group has the following transactions with related parties during both interim periods:

- (a) The emoluments of directors and other members of key management were approximately HK\$1,148,000 (for the six months ended 30 June 2024: approximately HK\$988,000).
- (b) For the six months ended 30 June 2025, the Group made sales of novelty and packaging products of approximately HK\$353,000 (for the six months ended 30 June 2024: nil), to Tse Wing Hang Limited (trading as Richmond Company), a company of which Ms. Tse (a director of the Group's subsidiary and key management personnel of the Group), and her family hold 100% equity interest.

17 FAIR VALUE OF MEASUREMENTS OF FINANCIAL INSTRUMENTS

The directors of the Group consider that the carrying amounts of the Group's financial assets and liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

18 CAPITAL COMMITMENTS

	As at 30 June 2025 HK\$'000 (unaudited)	As at 31 December 2024 HK\$'000 (audited)
Capital expenditure in respect of the acquisition of the following contracted for but not provided:		
– Property, plant and equipment	550	1,103
– Land	–	27,125
– Construction-in-progress	1,332	11,218
	1,882	39,446

19 EVENTS AFTER THE END OF THE PERIOD

Subsequent to 30 June 2025, the construction of part of the warehouse building in the logistics center located on the land in Zambia has been completed. On 21 July 2025, Tera Fleet Management DMCC (an indirect non-wholly owned subsidiary of the Company) and COSCO SHIPPING Africa (Pty) Ltd entered into a services agreement to formalise the proposed strategic cooperation. The Group anticipated a revenue growth in second half of 2025 in supply chain management service segment. For further details, please refer to the announcement of the Company dated 21 July 2025.