



A LEADING SMART ENERGY SAVING SERVICES PROVIDER

INTERIM REPORT 2025



Technovator
International Limited

(incorporated in Singapore with limited liability)

Stock Code: 1206

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Zhao Xiaobo (趙曉波)

Mr. Qin Bing (秦冰)

Non-executive Directors

Mr. Li Chengfu (李成富) (Chairman)

Mr. Zeng Xuejie (曾學傑)

Ms. Zhang Yanhua (張艷華)

Independent Non-executive Directors

Mr. Chia Yew Boon (謝有文)

Mr. Fan Ren Da Anthony (范仁達)

(retired on 17 June 2025)

Ms. Lu Yao (陸瑤)

Mr. Li Xuejin (李学金)

(appointed on 17 June 2025)

BOARD COMMITTEES

Audit Committee

Ms. Lu Yao (Chairlady)

Mr. Chia Yew Boon

Mr. Fan Ren Da Anthony (retired on 17 June 2025)

Mr. Li Xuejin (appointed on 17 June 2025)

Nomination Committee

Mr. Chia Yew Boon (Chairman)

Mr. Fan Ren Da Anthony (retired on 17 June 2025)

Mr. Li Chengfu

Ms. Lu Yao (appointed on 17 June 2025)

Remuneration Committee

Mr. Chia Yew Boon

Mr. Fan Ren Da Anthony (Chairman)

(retired on 17 June 2025)

Mr. Li Chengfu

Mr. Li Xuejin (Chairman)

(appointed on 17 June 2025)

Risk Management Committee

Mr. Zhao Xiaobo

Mr. Chia Yew Boon

Mr. Fan Ren Da Anthony (Chairman)

(retired on 17 June 2025)

Ms. Lu Yao

Mr. Zeng Xuejie

Mr. Qin Bing

Ms. Zhang Yanhua

Mr. Li Chengfu (Chairman)

Mr. Li Xuejin (appointed on 17 June 2025)

JOINT COMPANY SECRETARIES

Mr. Leung Lok Wai

Ms. Chan Wan Mei (resigned on 2 May 2025)

Ms. Chan Lai Yin (appointed on 4 July 2025)

AUTHORISED REPRESENTATIVES

Mr. Zhao Xiaobo

Mr. Li Chengfu

REGISTERED OFFICE

66 Tannery Lane

#04-10/A

Sindo Industrial Building

Singapore 347805

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

66 Tannery Lane

#04-10/10A

Sindo Industrial Building

Singapore 347805

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 17
Silvercord Tower 2
30 Canton Road
Tsim Sha Tsui, Hong Kong

LEGAL ADVISER AS TO HONG KONG LAWS

Morgan, Lewis & Bockius

AUDITORS

KPMG
Public Interest Entity Auditor registered in accordance
with the Accounting and Financial Reporting
Council Ordinance

SINGAPORE PRINCIPAL SHARE REGISTRAR

Tricor Barbinder Share Registration Services
9 Raffles Place
#26-01 Republic Plaza
Singapore 048619

HONG KONG SHARE REGISTRAR

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

COMPANY WEBSITE

www.technovator.com.sg

PRINCIPAL BANKERS

Agriculture Bank of China
Bank of Beijing
Bank of China
China CITIC Bank
China Construction Bank
China Merchants Bank
DBS Bank
Industrial and Commercial Bank of China
Standard Chartered Bank
The Hong Kong and Shanghai Banking
Corporation Limited

INVESTOR RELATIONS CONTACT

Hong Kong and Singapore office

Tel: +852 2736 8180

+65 6841 1788

Email: info@technovator.com.sg

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL

In 2025, driven by the dual opportunities of continuous promotion of the national “dual carbon” strategy and the accelerated development of smart city construction, the demand in the target markets was pushed higher by investments. During the period, the Group recorded revenue of approximately RMB665.5 million, representing an increase of 29.8% as compared to that of the corresponding period last year. This significant increase was mainly attributable to the significant progress in the implementation of a number of projects for the smart energy business. As these projects had higher gross profit margin which in turn drove the increase in the Group’s overall gross profit, the Group recorded the loss of approximately RMB7.7 million for the first half of the year, representing a significant year-on-year decrease. The Group will continue to put its focus on technological innovation to create competitive advantages in the keen market competition, and consolidate its leading position in the industry.

BUSINESS REVIEW

Smart Transportation Business

With regard to our smart transportation business, we always adhere to technology-driven innovation and keep making contribution to the construction of urban smart transportation. During the period, the Group continued to make breakthroughs in key regional markets and won the bidding of a number of landmark projects in succession, further consolidating its leading position in the field of smart rail transit.

The Group continued to demonstrate its strong position in the rail transit market in Changchun by securing the contract for the integrated supervision and control system project for the first phase of Airport Line of Changchun Urban Rail Transit (長春市城市軌道交通空港線). This line will have 8 stations, meeting the transport demand of the passengers going to and leaving from Changchun Longjia International Airport and the residents along the route, significantly enhancing regional transportation convenience. Leveraging its industry experience accumulated in years and technological advantages, the Group’s integrated supervision and control system solutions are built on the core values of “safety, reliability, intelligence, and efficiency”. The Group maintains rigorous quality control throughout the entire process from solution design to project implementation, consistently earning high recognition from the clients.

During the period, the Group deeply participated in the rail transit development in Chongqing by successfully signing a contract for the integrated supervision and control system project for the post-construction work of Chongqing Rail Transit Line 27 (重慶軌道交通27號線). Relying on the Group’s self-developed Kunlun digital platform, this project established a “hub-station” two-tier smart management and control system. It integrated innovative functional modules such as operation cockpits, smart operation, and intelligent passenger services to facilitate the comprehensive smart transformation of Chongqing Metro. This initiative has significantly improved the operational efficiency and passenger experience, setting a new benchmark for smart metro construction in Chongqing.

The Group continued to enhance its presence in Wuhan rail transit market by securing contracts for the integrated supervision and control system project for the first phase of Xingang Line (新港線) and the western extension of Xingang Line of Wuhan Rail Transit (武漢市軌道交通). As a crucial integral part of Wuhan rail transit network, the completion of the Xingang Line will greatly enhance the city’s comprehensive transportation efficiency. This project will deeply integrate the network information cloud platform, utilize innovative applications such as energy-saving technology and fiber-optic sensing to create a green and smart rail transit demonstration project, and set a benchmark for regional green and smart rail transit development.

Smart Building and Complex Business

With regard to the smart building and complex business, the Group kept achieving breakthroughs in digital cultural tourism, smart city and financial technology, and persistently propelling forward technological innovation to deliver high-quality digital transformation solutions across industries.

During the period, the Group successfully secured the digital construction project for NOUSLAND Hotel (灣里•諾嵐酒店), the flagship hotel of the high-end resort brand under Beijing Tourism Group. This project marked a major milestone of the Group in the field of integrated digital solutions for high-end hotels. By installing a dedicated room control system, an intelligent security management system and other digital infrastructure, the project created a hotel service ecosystem featuring intelligent analysis, data-driven operation, and interconnectivity of all things to support the digital management and lean operation for the hotel, and redefined luxury travel experience through technology, setting a new model for intelligent upgrades in premium resort hotels.

The Dayun Smart Park Intelligent Project (大運智慧公園智能化工程), a contracted project of the Group, is the initiative of the Shenzhen government to construct a benchmark park with international standard. The park integrates multiple functions including ecological demonstration, smart experience, cultural exhibition, and leisure and entertainment. Adhering to the “Intelligence + Eco (智慧+生態)” development philosophy, the Group established four major intelligent system frameworks: the smart management hub, immersive experience spaces, smart service network, and intelligent infrastructure. By leveraging smart and information technologies, the project would enhance the management efficiency, improves visitors’ interaction experience, and serves as a model for Shenzhen’s smart city construction. This project would play a pivotal role in promoting the integration of industry and city in Shenzhen’s eastern district and elevating urban quality.

During the period, the Group won the bidding of Gui’an Data Center project of Bank of Communications. By configuring, among others, the DCIM and a smart park operation and maintenance management platform, an energy consumption management and carbon emission monitoring system, and an AI management system, the project would assist Bank of Communications in building a financial security network with a “multi-site and multi-center structure (多地多中心架構)” and effectively drive the high-quality development of the regional green computing power industry and financial data industry.

Smart Energy Business

The Group continued to strengthen its strategic footprint in contractual energy management in the smart energy business and its business with CNNC. Through technological innovation and business model upgrades, the Group successfully implemented multiple benchmark EMC projects, fully demonstrating its leading pace in the fields of energy digitalisation and low-carbon transformation.

During the period, the Group secured a comprehensive energy efficiency improvement project for Tianhe Thermal Power Plant (天河熱電廠) and its heating supply area, which was another important project following the successful collaboration with the owners at the South Thermal Power Plant (南熱電廠). This cooperation further strengthened the strategic partnership between both parties in the field of thermoelectric synergy. This project fully verified the technology application of lowering the temperature of return water of the heating network to facilitate the waste heat recovery of the exhaust steam of the power plant, which not only brought sound economic benefits to the enterprise, but also set an outstanding model for the clean transformation of central heating in large and medium-sized cities with important demonstration significance and promotional value.

Management Discussion and Analysis (Continued)

Leveraging on its core technological advantages, the Group continued to strength the strategic cooperation in the smart energy business with CNNC, focusing on strengthening its presence in non-nuclear clean energy management in the field of nuclear energy, and the business of energy efficiency improvement in nuclear power plants. The newly contracted R&D project for the utilisation of the roots blower vacuum technology for the steam condensers of the Fuqing Nuclear Power (福清核電) would reduce the energy consumption of the vacuum system of the steam condensers, improve the economy of unit operation, and reduce the consumption of electric power in the plant through optimised design. This was the third in-depth cooperation with Fuqing Nuclear Power after the successful implementation of the two projects of intelligent platform for electric power consumption and water ecosystem in the plant, which fully reflected the Group's technological accumulation and continuous innovation capability in the field of nuclear power energy conservation, and built a solid foundation for the subsequent expansion in cooperation in the field of nuclear power. Meanwhile, the Xudabao Nuclear Power Plant Environment Monitoring System Project (徐大堡核電廠環境監測系統項目) undertaken by the Group would provide high-quality equipment and services covering heating and ventilation, communication and automation for CNNC Liaoning Nuclear Power Plant (中核遼寧核電), and make contribution to the safe, stable and energy-saving operation of Xudabao Nuclear Power Plant.

OUTLOOK

Technovator will focus on the implementation of its dual-driven strategy of “digital intelligence + green and low-carbon” and, rooted in the construction of new smart cities, build up its dual core business of energy utilisation and technology services. Through continuously strengthening the overall synergy with CNNC and the integration of industry, university and research with Tsinghua University, Technovator will increase its investment in scientific and technological innovation, targeting to make breakthrough in key core technologies, systematically build up digital support systems such as the Internet of Things, big data and AI applications, create an innovative technology matrix centered on “energy saving and carbon reduction + new energy utilisation”, and accelerate the cultivation of new quality productivity, so as to inject new momentum into the high quality urban development.

FINANCIAL REVIEW

Revenue

In 1H2025, driven by the continuous introduction of favorable policies and capital investment, demand in the target markets demonstrated a development trend featuring in-depth integration of “greenisation” and “intelligentisation”, opening up new room for the industry's growth. In the first half of the year, the Group recorded net revenue of RMB665.5 million, representing a year-on-year increase of 29.8%. The Group continued to reinforce its business expansion strategy with a focus on improving project conversion efficiency, optimising resource allocation, strengthening process control in order to ensure the successful implementation of its projects. Meanwhile, it accelerated the implementation progress of newly signed projects, laying a solid foundation for the sustained and stable development of business.

Revenue by Business Segments

The table below sets forth the Group's revenue by business segments for the periods indicated.

Six months ended 30 June					
	2025		2024		Comparison
	Revenue (RMB'000)	% of revenue	Revenue (RMB'000)	% of revenue	
Smart transportation	93,397	14%	93,261	18%	0.1%
Smart building and complex	246,297	37%	220,216	43%	11.8%
Smart energy	325,779	49%	199,095	39%	63.6%
Total	665,473	100%	512,572	100%	29.8%

Smart transportation

In 1H2025, the smart transportation business recorded revenue of approximately RMB93.4 million, remaining largely flat compared to approximately RMB93.3 million for the corresponding period last year. In the first half of the year, the Group maintained steady development momentum in the smart transportation business. Leveraging its industry-leading technological capabilities and extensive experience in project implementation, the Group won the bid of and signed the contracts for several major projects, demonstrating its success in project expansion. In the second half of the year, the Group will accelerate the implementation progress of newly signed projects in a bid to inject sustained growth momentum into the performance of this business. During the period, the Group made certain progress of and recorded settlement income from major projects such as the integrated supervision and control system for the first phase of Line 7, the first phase of Line 5 and the east extension of Line 2 of Changchun Rail Transit (長春市軌道交通7號線一期、5號線一期、2號線東延線工程綜合監控系統), the first phase of Ningbo Rail Transit Line 6 (寧波市軌道交通6號線一期) and for the project to supply integrated supervision and control equipment for Hangzhou-Deqing Intercity Railway Project (杭州至德清市域鐵路工程).

Smart building and complex

The smart building and complex business recorded revenue of approximately RMB246.3 million, representing a year-on-year increase of 11.8% from RMB220.2 million in 1H2024. Against the backdrop of the acceleration of the low-carbon transformation of the construction industry and the continuous refining of China's national "dual-carbon" policy, investment demand in target markets increased, driving up the increase in revenue of this business. During the period, the Group's newly signed a digital construction project in relation to NOUSLAND Hotel (灣里•諾嵐酒店), a high-end resort brand under Beijing Tourism Group, a proof that the Group's professional capabilities in hotel intelligentisation have gained high market recognition. The project has progressed smoothly in implementation and has already contributed revenue to us. Furthermore, our projects in relation to weak current engineering for the construction of Keppel Land Season City in the Start-up Area of Sino-Singapore Tianjin Eco-City (中新天津生態城起步區吉寶季景新城) and the Sichuan Celebrity Museum (四川名人館), and the cloud computing application and big data for Jiaxufumei (嘉旭福美) both had made progress during the period, providing strong support for the performance of this business.

Management Discussion and Analysis (Continued)

Smart energy

In 1H2025, the smart energy business recorded revenue of approximately RMB325.8 million, representing an increase of 63.6% from approximately RMB199.1 million in 1H2024. The significant revenue growth in this business was primarily attributable to the Group's strategic arrangements and efficient project implementation in the smart energy business. Relying on its industry-leading technological solutions and extensive experience in project management, the Group continued to strengthen its market competitiveness in this field and successfully established a number of benchmark projects with demonstration effects. During the period, the Group focused on advancing the implementation of projects such as the Tianfu Energy Tianhe Thermal Power Plant Heating Project (天富能源天河熱電廠供熱項目), the Daqing Intelligent Heating Project (大慶市智慧供熱項目), the Rongcheng Nuclear Heating Supporting Pipeline and Facilities Construction Project (榮成市核能供熱配套管網及設施建設項目), and the Smart Heating Network Energy-Saving Renovation Project (智慧熱網節能改造項目) of Jiaocheng County Urban Heating Co., Ltd.* (交城縣城鎮熱力有限公司), making significant contributions to revenue for the period.

Cost of Sales

The Group's cost of sales increased by 19.3% from approximately RMB456.5 million for 1H2024 to approximately RMB544.4 million for 1H2025. The increase in revenue led to a year-on-year increase in cost of sales.

Gross Profit

Gross profit increased by 115.9% from approximately RMB56.1 million for 1H2024 to approximately RMB121.1 million for 1H2025. Gross profit margin for the period was approximately 18.2%, representing an increase of 7.3 percentage points as compared to that of the corresponding period last year. The significant increase in gross margin for the period was primarily attributable to the higher gross profit margin of contractual energy management projects, which improved our overall gross margin.

Other Revenue

The Group recorded other revenue of approximately RMB10.9 million for 1H2025, representing a decrease of approximately 17.4% as compared to approximately RMB13.2 million for 1H2024, mainly attributable to the decrease in government grants as compared to the corresponding period last year.

Selling and Distribution Costs

Selling and distribution costs of the Group for 1H2025 were approximately RMB28.0 million, representing a year-on-year decrease of 37.4% as compared to approximately RMB44.7 million for 1H2024. During the period, selling and distribution costs accounted for 4.2% of revenue, representing a decrease of 4.5 percentage points as compared to that of the corresponding period last year. The Group effectively reduced costs of sales personnel through workforce optimisation initiatives, leading to a year-on-year decrease in selling costs.

Administrative and Other Operating Expenses

Administrative and other operating expenses increased by 52.5% from approximately RMB75.4 million for 1H2024 to approximately RMB115.1 million for 1H2025. As the Group strived to keep its leading position in technology innovation and actively expanded the scale of its R&D investments, our R&D expenses and amortisation of intangible assets increased, resulting in a significant increase in administrative and other operating expenses.

Impairment Loss on Trade and Other Receivables and Contract Assets

In 1H2025, the Group made provision for impairment loss on trade and other receivables and contract assets of approximately RMB9.0 million, representing a year-on-year decrease of approximately 57.7% from approximately RMB21.3 million for 1H2024. While payments from some customers were delayed to a certain extent, leading to a slowdown in the collection cycle of payments for the projects, as the Group strived to accelerate the collection of receivables, particularly long-term receivables, impairment loss on trade and other receivables and contract assets decreased as compared to the corresponding period last year.

Finance Costs

Finance costs of the Group for 1H2025 were approximately RMB5.0 million, representing a year-on-year increase of 25.0% as compared to approximately RMB4.0 million for 1H2024. In order to optimise liquidity and meet business growth needs, the Group has had its financing facility appropriately increased to ensure its smooth daily operations and market expansion.

Income Tax

Income tax increased from approximately RMB-7.4 million in 1H2024 to approximately RMB-3.1 million for the period, mainly attributable to the decrease in loss in the first half of the year.

Loss for the Period

In 1H2025, the Group recorded loss of approximately RMB7.7 million, as compared to the loss of approximately RMB71.9 million for 1H2024. Net profit margin increased to approximately -1.2% for the period from -14.0% for the corresponding period last year. The decrease in loss for the period was attributable to the increase in revenue and gross profit.

The basic and diluted loss per share from continuing operations of the Group amounted to RMB0.0083 (1H2024: RMB0.0889).

Working Capital and Financial Resources

The following table sets forth the Group's current assets and liabilities as at the dates indicated:

	As at 30 June 2025 (RMB'000)	As at 31 December 2024 (RMB'000)	As at 30 June 2024 (RMB'000)
Inventories	1,365,083	1,363,757	1,355,869
Trade and other receivables ^(Note 1)	1,736,219	1,801,587	1,871,205
Trade and other payables	2,144,299	2,400,263	1,977,618
Average inventory turnover days	374	264	470
Average trade receivables turnover days ^(Note 2)	457	329	570
Average trade payables turnover days ^(Note 2)	672	437	735

Note 1: Trade and other receivables included trade and other receivables and prepayments

Note 2: The calculation of turnover days excluded other receivables, other payables and related party amounts

As of 30 June 2025, the Group's inventories amounted to approximately RMB1,365.1 million, largely remained flat as compared to approximately RMB1,363.8 million as at 31 December 2024. The Group strengthened project lifecycle control and accelerated settlement progress, leading to its inventory turnover days decreased to approximately 374 days as compared to the corresponding period last year.

The Group's trade and other receivables amounted to approximately RMB1,736.2 million, representing a decrease of 3.6% as compared to approximately RMB1,801.6 million as at 31 December 2024. The average trade receivables turnover days decreased from 570 days for the corresponding period last year to 457 days. The decrease in turnover days was attributable to the Group's vigorous efforts in collecting long-term receivables.

Management Discussion and Analysis (Continued)

The Group's trade and other payables decreased by 10.7% from approximately RMB2,400.3 million as at 31 December 2024 to approximately RMB2,144.3 million as at 30 June 2025. The Group's average trade payables turnover days decreased from approximately 735 days in 1H2024 to approximately 672 days in 1H2025. The decrease in the average trade payables turnover days was attributable to the Group's efforts in enhancing the efficiency of capital turnover by optimising payment processes and improving the supplier management system.

Liquidity and Financial Resources

During the period, the Group financed its operations primarily through cash flow from operations and cash balance on hand. As at 30 June 2025, the Group had cash and cash equivalents of approximately RMB101.8 million, which accounted for 3.9% of the Group's net assets (31 December 2024: cash and cash equivalents of approximately RMB344.7 million).

As at 30 June 2025, the Group's indebtedness consisted of short-term bank loans of approximately RMB265.3 million with an average interest rate of 3.2% per annum, long-term bank loans of approximately RMB7.5 million with an interest rate of 3.8% per annum and secured borrowings of approximately RMB33.6 million with an interest rate of 4.7% per annum.

As at 30 June 2025, the Group's debts were primarily bank loans denominated in RMB. Cash and cash equivalents were primarily bank deposits and cash on hand denominated in RMB, USD, HKD and SGD, and deposits that were readily convertible into known amounts of cash.

As at 30 June 2025, the net cash of the Group was approximately RMB-204.7 million (31 December 2024: net cash of approximately RMB-2.9 million). Gearing ratio, defined as loans and borrowings divided by total assets, was approximately 5.8% (31 December 2024: approximately 6.2%).

Pledge of Assets

As at 30 June 2025, the Group did not have any pledge of assets.

Exchange Rate Fluctuation Risk

The Group is exposed to currency risk primarily from sales and purchases which give rise to receivables, payables and cash balances denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions related. The currencies exposed to this risk are primarily Singapore Dollars, Canadian Dollars, United States Dollars and Hong Kong Dollars.

However, given the Group's operations are mainly conducted in the PRC and the majority of its sales and purchases are transacted in RMB, the Directors are of the view that as the foreign exchange risk did not have any material impact on the Group's financial performance during 1H2025, the Group did not enter into any hedging arrangement for its foreign exchange risk. The Group will closely monitor foreign currency movement and will assess the need to adopt any measures in relation to foreign exchange risk from time to time.

Contingent Liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities.

Off-Balance Sheet Arrangements

The Group did not have any special purpose entities that provided financing, liquidity, market risk or credit support to it or were engaged in leasing, hedging or research and development services with it. The Group did not enter into any derivative contracts that were indexed to the shareholders of the Group (the "Shareholders") and classified as Shareholders' equity, or that were not reflected in its financial statements. Moreover, the Group did not have any retained or contingent interest in such assets that were transferred to unconsolidated entities to provide credit, liquidity or market risk support service for such entities.

Employee, Training and Development

As at 30 June 2025, the Group had a total of 662 employees compared to 626 employees as at 30 June 2024. Total staff costs increased from approximately RMB80.0 million for 1H2024 to approximately RMB88.0 million for 1H2025.

As a matter of policy, the Group remunerates its employees based on their performance, experience and prevailing industry practices, with all compensation policies and packages reviewed on a regular basis.

The Group provides regular training for its employees to keep them abreast of the Group's products, technology developments and the market conditions of its industry. The Group also offers additional training for frontline sales staff regarding each new product launched, so as to help them deliver more effective sales and promotion. In addition, the Group's senior management also attends conferences and exhibitions to broaden their knowledge of the industry.

Material Acquisitions and Disposals

For the six months ended 30 June 2025, the Group had no material acquisition or disposal of subsidiaries or associates.

Significant Investments

For the six months ended 30 June 2025, the Group had no significant investment, nor was there any plan authorised by the board of directors of the Company for other material investments or additions of capital assets as at 30 June 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2025, except that the chairman of the board and the chairmen or other members of the audit committee, the nomination committee and the remuneration committee could not attend the annual general meeting held on 17 June 2025 due to their other business engagements, the Company complied with all code provisions and, where appropriate, adopted the recommended best practices as set out in the Corporate Governance Code in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

MODEL CODE FOR SECURITIES TRANSACTIONS OF DIRECTORS OF LISTED ISSUERS ("MODEL CODE")

The Company has also adopted the Model Code set out in Appendix C3 of the Listing Rules throughout the six months ended 30 June 2025 as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with all Directors of the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the six months ended 30 June 2025.

REVIEW OF INTERIM FINANCIAL STATEMENTS

The Directors confirm that disclosure of financial information in this interim report complies with Appendix D2 of the Listing Rules. The audit committee of the Company has held meetings to discuss the internal controls and financial reporting matters of the Company, including the review of the interim results and the unaudited consolidated interim financial statements for the six months ended 30 June 2025. The interim financial report is unaudited.

The external auditor has reviewed the interim financial information for the six months ended 30 June 2025 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.

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 has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

As at 30 June 2025, the number of treasury shares held by the Company is nil.

DIVIDENDS

The Board has not recommended the payment of any interim dividend for the six months ended 30 June 2025.

CHANGES IN INFORMATION OF DIRECTORS

Changes in the information of Directors since the publication of the annual report of the Company for the year ended 31 December 2024 and up to 30 June 2025, which are required to be disclosed under Rule 13.51B(1) of the Listing Rules are set out below:

- Mr. Fan Ren Da Anthony retired as an independent non-executive Director, a member of the audit committee, the chairman of the remuneration Committee, a member of the nomination committee and the chairman of the risk management committee of the Company with effect from 17 June 2025;
- Mr. Li Xuejin has been appointed as an independent non-executive Director, a member of the audit committee, the chairman of the remuneration committee and a member of the risk management committee of the Company with effect from 17 June 2025;
- Ms. Lu Yao, an independent non-executive Director, has been appointed as a member of the nomination committee of the Company with effect from 17 June 2025; and
- Mr. Li Chengfu, a non-executive Director, has been appointed as the chairman of the risk management committee of the Company with effect from 17 June 2025.

DISCLOSURE OF INTERESTS

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at 30 June 2025, the Directors and the chief executive of the Company and their respective associates had the following interests or short positions in the shares, underlying shares of the Company (the "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) (the "SFO")) which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Division 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executive of the Company are taken and deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Long positions in the Company

Name of Director/ chief executive	Capacity/Nature of interest	Number of Shares interested	Approximate percentage of interest in the issued share capital of the Company
Mr. Zhao Xiaobo	Beneficial owner	8,728,000	1.12%

Save as disclosed above, as at 30 June 2025, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short position in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

Corporate Governance and Other Information (Continued)

During the six months ended 30 June 2025, at no time was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Directors and the chief executive of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

Substantial shareholders' interests and short positions in Shares and underlying Shares

So far as is known to any Director or chief executive of the Company, as at 30 June 2025, the persons or corporations (other than the Directors or chief executive of the Company) who had interest or short positions in the Shares and underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Shareholders	Capacity/Nature of interest	Number of Shares interested	Approximate percentage of interest in the issued share capital of the Company
Tsinghua Tongfang Co., Ltd (同方股份有限公司)	Beneficial owner Interest in a controlled corporation ⁽¹⁾	92,000,000 194,330,142	11.76% 24.84%
Resuccess Investments Limited	Beneficial owner	194,330,142	24.84%

Note: Tsinghua Tongfang Co., Ltd (同方股份有限公司) ("THTF") is the sole shareholder of Resuccess Investments Limited and hence is deemed to be interested in all the Shares held by Resuccess Investments Limited.

Save as disclosed above, as at 30 June 2025, the Directors and the chief executive of the Company are not aware of any other person or corporation having an interest or short position in the Shares and underlying Shares of the Company which would require to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE AWARD SCHEME

The Company adopted the share award scheme (the "Share Award Scheme") on 4 December 2015 (the "Adoption Date"). The maximum number of Shares in respect of which awards may be granted pursuant to the Share Award Scheme is 77,772,218 as at 1 January 2025 and 30 June 2025, respectively.

As at 30 June 2025, to the knowledge of the Company, there was no outstanding awarded shares under the Share Award Scheme which have not been vested to the selected grantees. The Company did not grant any share awards under the Share Award Scheme since the Adoption Date.

The number of shares that may be issued in respect of options and awards granted under all schemes of the Company during the six months ended 30 June 2025 divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) for the six months ended 30 June 2025 is nil.

INDEPENDENT REVIEW REPORT

**Review report to the board of directors of
Technovator International Limited**
(Incorporated in Singapore with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 16 to 32 which comprises the consolidated statement of financial position of Technovator International Limited (the “Company”) as of 30 June 2025 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report 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 the interim financial report 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 interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants
8th Floor, Prince’s Building
10 Chater Road
Central, Hong Kong

27 August 2025

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi (“RMB”))

		Six months ended 30 June	
	Note	2025 RMB'000	2024 RMB'000
Revenue	3, 4	665,473	512,572
Cost of sales		(544,393)	(456,487)
Gross profit		121,080	56,085
Other revenue		10,879	13,234
Other net gain/(loss)		14,354	(2,970)
Selling and distribution costs		(28,008)	(44,730)
Administrative and other operating expenses		(115,055)	(75,444)
Impairment loss on trade and other receivables and contract assets		(8,975)	(21,269)
Share of loss of an associate		–	(153)
Loss from operations		(5,725)	(75,247)
Finance costs	5(a)	(5,029)	(4,042)
Loss before taxation		(10,754)	(79,289)
Income tax	6	3,091	7,380
Loss for the period		(7,663)	(71,909)
Loss attributable to:			
Equity shareholders of the Company		(6,492)	(69,557)
Non-controlling interests		(1,171)	(2,352)
Loss for the period		(7,663)	(71,909)
Loss per share	7		
– Basic (RMB)		(0.0083)	(0.0889)
– Diluted (RMB)		(0.0083)	(0.0889)

The accompanying notes form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in Note 13(c).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi (“RMB”))

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Loss for the period	(7,663)	(71,909)
Other comprehensive income for the period		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of overseas subsidiaries, net of nil tax	(90)	82
Total comprehensive income for the period	(7,753)	(71,827)
Attributable to:		
Equity shareholders of the Company	(6,582)	(69,475)
Non-controlling interests	(1,171)	(2,352)
Total comprehensive income for the period	(7,753)	(71,827)

The accompanying notes form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025 – unaudited
(Expressed in Renminbi (“RMB”))

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Non-current assets			
Property, plant and equipment	8	56,732	60,709
Intangible assets		538,377	576,200
Financial assets measured at amortised cost	9	500,329	376,039
Deferred tax assets		61,189	58,496
		1,156,627	1,071,444
Current assets			
Inventories		1,365,083	1,363,757
Contract assets		937,683	987,448
Trade and other receivables	10	1,595,172	1,687,280
Prepayments		141,047	114,307
Bank deposits and cash on hand	11	101,761	344,686
		4,140,746	4,497,478
Current liabilities			
Trade and other payables	12	2,144,299	2,400,263
Contract liabilities		126,999	148,360
Loans and borrowings		269,438	308,982
Lease liabilities		927	921
Income tax payable		26,063	28,869
		2,567,726	2,887,395
Net current assets		1,573,020	1,610,083
Total assets less current liabilities		2,729,647	2,681,527

The accompanying notes form part of this interim financial report.

Consolidated Statement of Financial Position (Continued)

At 30 June 2025 – unaudited
(Expressed in Renminbi (“RMB”))

		At 30 June 2025	At 31 December 2024
	Note	RMB'000	RMB'000
Non-current liabilities			
Deferred tax liabilities		3,820	3,383
Deferred income		6,406	6,580
Loans and borrowings		36,980	38,598
Lease liabilities		57,228	–
		104,434	48,561
NET ASSETS			
		2,625,213	2,632,966
CAPITAL AND RESERVES			
Share capital	13	1,189,968	1,189,968
Reserves		1,417,210	1,423,792
Total equity attributable to equity shareholders of the Company		2,607,178	2,613,760
Non-controlling interests		18,035	19,206
TOTAL EQUITY		2,625,213	2,632,966

Approved and authorised for issue by the board of directors on 27 August 2025.

Zhao Xiaobo
Qin Bing

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Directors

The accompanying notes form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi (“RMB”))

	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity
	Share capital	Statutory reserves	Translation reserve	Other reserves	Special reserves	Retained profits	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	Note 13(a)			Note 13(b)	Note 13(d)				
Balance at 1 January 2024	1,189,968	194,282	44,979	(537,048)	32	1,987,977	2,880,190	18,343	2,898,533
Loss for the period	-	-	-	-	-	(69,557)	(69,557)	(2,352)	(71,909)
Other comprehensive income	-	-	82	-	-	-	82	-	82
Total comprehensive income for the period	-	-	82	-	-	(69,557)	(69,475)	(2,352)	(71,827)
Appropriation of safety production fund	-	-	-	-	1,028	(1,028)	-	-	-
Utilisation of safety production fund	-	-	-	-	(765)	765	-	-	-
Balance at 30 June 2024	1,189,968	194,282	45,061	(537,048)	295	1,918,157	2,810,715	15,991	2,826,706

	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity
	Share capital	Statutory reserves	Translation reserve	Other reserves	Special reserves	Retained profits	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	Note 13(a)			Note 13(b)	Note 13(d)				
Balance at 1 January 2025	1,189,968	196,491	44,457	(537,048)	-	1,719,892	2,613,760	19,206	2,632,966
Loss for the period	-	-	-	-	-	(6,492)	(6,492)	(1,171)	(7,663)
Other comprehensive income	-	-	(90)	-	-	-	(90)	-	(90)
Total comprehensive income for the period	-	-	(90)	-	-	(6,492)	(6,582)	(1,171)	(7,753)
Appropriation of safety production fund	-	-	-	-	392	(392)	-	-	-
Utilisation of safety production fund	-	-	-	-	(392)	392	-	-	-
Balance at 30 June 2025	1,189,968	196,491	44,367	(537,048)	-	1,713,400	2,607,178	18,035	2,625,213

The accompanying notes form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2025 – unaudited
(Expressed in Renminbi (“RMB”))

	Note	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Operating activities			
Cash used in operations		(220,331)	(273,426)
Income tax paid		(2,838)	(4,591)
Net cash used in operating activities		(223,169)	(278,017)
Net cash used in investing activities		(6,062)	(24,692)
Financing activities			
Proceeds from loans and borrowings		232,000	236,917
Repayment of loans and borrowings		(239,588)	(174,559)
Other cash flows arising from financing activities		(5,714)	(5,436)
Net cash (used in)/generated from financing activities		(13,302)	56,922
Net decrease in cash and cash equivalents		(242,533)	(245,787)
Cash and cash equivalents at 1 January		339,697	354,783
Effect of foreign exchange rates changes		(124)	232
Cash and cash equivalents at 30 June	11	97,040	109,228

The accompanying notes form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in RMB unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report of Technovator International Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 27 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG 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. KPMG’s independent review report to the Board of Directors is included in the interim financial report.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

3 REVENUE

The Group are principally engaged in integrated and comprehensive urban smart energy saving services. Its business covers three major segments including smart transportation, smart building and complex and smart energy, providing the customers with smart energy management products, solutions and integrated services throughout their full life cycles.

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by service lines is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Revenue from smart transportation business	93,397	93,261
Revenue from smart building and complex business	246,297	220,216
Revenue from smart energy business	325,779	199,095
	665,473	512,572

4 SEGMENT REPORTING

The Group manages its businesses by divisions. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments:

Smart transportation business ("STB"): It comprises a series of proprietary software and hardware products and systems for rail transit such as Integrated Supervision and Control System (ISCS), Building Automation System (BAS) for rail transit and safety door system, providing integrated solutions with full life cycles ranging from planning, procurement, installation and commissioning to aftersales service.

Smart building and complex business ("SBB"): It provides integrated intelligence solutions and efficiency management services, namely integrated energy consumption monitoring, energy-saving consultation and reformation services and integration and product supply of intelligence system for buildings, aimed at different building and complex and rendering full life-cycle services of which reduces energy consumption and operating costs of buildings.

Smart energy business ("SEB"): It comprised a series of leading technologies such as regional energy planning, integrated utilization of industrial waste heat recovery technology, heat pump technology, independent temperature and humidity control technology and variable air rate technology applied in the energy cascade utilization as well as optimization and transformation of energy system. The Group possess self-owned core leading technologies (in the field of urban heating network) such as heating network & heating source monitoring and optimal regulation, distributed variable frequency heating technology, cooling and heating network balancing technology, combined multi-heat sources heating technology.

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

4 SEGMENT REPORTING (CONTINUED)

(a) Information about reportable segments

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, other than reporting inter-segment sales of products, assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

The measure used for reporting segment results is profit or loss before income tax adjusted for items not specifically attributed to individual segments, such as finance cost, depreciation and amortization, and certain unallocated head office and corporate expenses/(gains). Segment profit or loss is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

In addition to receiving segment information concerning segment results, management is provided with segment information concerning revenue (including inter-segment sales), interest income, and impairment losses. Inter-segment pricing is determined on a consistent basis using market benchmarks.

Segment assets and liabilities are not regularly reported to the Group's senior executive management and therefore information of reportable segment assets and liabilities are not presented in the consolidated financial statements.

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

4 SEGMENT REPORTING (CONTINUED)

(a) Information about reportable segments (continued)

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2025 and 2024 are set out below:

For the six months ended	STB		SBB		SEB		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Disaggregated by timing of revenue recognition								
Point in time	6,782	14,044	49,575	64,278	75,032	14,853	131,389	93,175
Over time	86,615	79,217	196,722	155,938	250,747	184,242	534,084	419,397
Revenue from external customers	93,397	93,261	246,297	220,216	325,779	199,095	665,473	512,572
Inter-segment revenue	-	-	-	-	-	-	-	-
Reportable segment revenue	93,397	93,261	246,297	220,216	325,779	199,095	665,473	512,572
Reportable segment (loss)/profit	(5,819)	(14,156)	687	3,312	66,927	5,408	61,795	(5,436)
Interest income	91	440	371	232	10,012	10,815	10,474	11,487
Impairment loss on trade and other receivables and contract assets	(2,139)	(3,603)	(5,073)	(7,911)	(1,763)	(9,755)	(8,975)	(21,269)
Impairment reversals/(loss) on prepayments	(342)	333	(837)	786	(1,399)	(590)	(2,578)	529

(b) Reconciliations of reportable segment profit or loss

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Profit/(Loss)		
Reportable segment profit/(loss)	61,795	(5,436)
Depreciation and amortisation	(60,898)	(63,520)
Finance costs	(5,029)	(4,042)
Unallocated head office and corporate expenses	(6,622)	(6,291)
Consolidated loss before taxation	(10,754)	(79,289)

(c) Geographic information

As the Group does not have material operations outside the People's Republic of China ("PRC"), no geographic segment information is presented.

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

5 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

Six months ended 30 June		
	2025	2024
	RMB'000	RMB'000
(a) Finance costs		
Interest on loans and borrowings	4,119	3,990
Interest on lease liabilities	910	52
	5,029	4,042
Six months ended 30 June		
	2025	2024
	RMB'000	RMB'000
(b) Other items		
Research and development expenses	43,401	12,028
Penalty	–	4,350
Amortisation	53,841	48,593
Depreciation		
– owned property, plant and equipment	6,080	13,660
– right-of-use assets	977	1,267
Interest income	(10,474)	(11,487)

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

6 INCOME TAX

Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Current tax		
– provision for the year	81	43
– over-provision in respect of prior years	(916)	(4,989)
Deferred tax	(2,256)	(2,434)
	(3,091)	(7,380)

Notes:

- (i) The Company is subject to Singapore corporate income tax at 17% for the six months ended 30 June 2025 and 2024. No provision for Singapore income tax was made because the Company sustained tax losses for the period.
- (ii) The subsidiaries of the Group established in the PRC are subject to PRC Corporate Income Tax rate of 25%.
- The subsidiary of the Group established in the Cayman Islands is not subject to any income tax pursuant to the rules and regulations of the Cayman Islands.
- The subsidiary of the Group incorporated in Hong Kong is subject to Hong Kong Profits Tax rate of 16.5% for the six months ended 30 June 2025 and 2024.
- (iii) Tongfang Technovator Int (Beijing) Co., Ltd. ("Technovator Beijing") is recognised as a high and new technology enterprise and is eligible to enjoy a preferential tax rate of 15% until December 2026.
- Tongfang Energy Saving Engineering Technology Co., Ltd. ("Tongfang Energy Saving") is recognised as a high and new technology enterprise and is eligible to enjoy a preferential tax rate of 15% until December 2025.
- Tongfang Technovator Software (Xiamen) Co., Ltd. (formerly known as Tongfang Technovator Software (Beijing) Co., Ltd.) ("Tongfang Software") is subject to tax rate of 25% for the six months ended 30 June 2025. Tongfang Software is recognised as a high and new technology enterprise and is eligible to enjoy a preferential tax rate of 15% until December 2024.

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

7 LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following data:

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB6,492,000 (six months ended 30 June 2024: loss of RMB69,557,000) and the weighted average of 782,192,189 ordinary shares (2024: 782,192,189 shares) in issue during the interim period.

(b) Diluted loss per share

There were no dilutive potential shares outstanding during the six months ended 30 June 2025 and 2024.

8 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired certain items of property, plant and equipment with costs of RMB3,373,000 (six months ended 30 June 2024: RMB2,105,000).

9 FINANCIAL ASSETS MEASURED AT AMORTISED COST

As at 30 June 2025, the balance of other financial assets mainly represents long-term trade receivables of certain construction projects which are repayable by instalments over a 2 to 13 years period.

10 TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade debtors and bills receivable (net of allowance of doubtful debts) with the following ageing analysis as of the end of the reporting period:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Current	1,373,486	1,548,031
Less than 1 month past due	46,599	2,127
More than 1 month but less than 3 months past due	15,771	1,179
More than 3 months but less than 12 months past due	60,465	44,960
More than 12 months past due	40,581	21,135
Trade debtors and bills receivable, net of allowance for doubtful debts	1,536,902	1,617,432
Other receivables	58,270	69,848
	1,595,172	1,687,280

The Group generally requires customers to settle progress billings and retentions receivable in accordance with contracted terms.

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

11 BANK DEPOSITS AND CASH ON HAND

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Deposits with banks and other financial institutions	4,721	4,989
Cash at bank and on hand	97,040	339,697
Bank deposits and cash on hand in the consolidated statement of financial position	101,761	344,686
Restricted deposit	(4,721)	(4,989)
Cash and cash equivalents in the consolidated cash flow statements	97,040	339,697

12 TRADE AND OTHER PAYABLES

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

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
By date of invoice:		
Within 3 months	1,181,693	1,268,761
More than 3 months but within 6 months	150,738	220,719
More than 6 months but within 12 months	251,015	132,774
More than 12 months	383,180	553,692
Total creditors and bills payable	1,966,626	2,175,946
Other payables and accruals	177,673	224,317
	2,144,299	2,400,263

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

13 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

	At 30 June 2025		At 31 December 2024	
	Number of shares	Amounts RMB'000	Number of shares	Amounts RMB'000
Ordinary shares, issued and fully paid:				
At 1 January	782,192,189	1,189,968	782,192,189	1,189,968
Share repurchased and cancelled	—	—	—	—
At 30 June/31 December	782,192,189	1,189,968	782,192,189	1,189,968

(b) Other reserves

Other reserves are resulted from transactions with equity holders in their capacity as equity holders. The balance comprises capital reserve movements arising from difference between fair value of consideration paid and the net assets acquired in a business combination under common control or the amount by which the non-controlling interests are adjusted to reflect the changes in its interests in the subsidiary.

(c) Dividends

The Company has not declared interim dividend attributable to the six months ended 30 June 2025 and 2024.

(d) Special reserves

According to relevant PRC rules and regulations, the Group is required to transfer an amount to specific reserve for the safety production fund based on the contract amount. The amount of safety production fund utilised would be transferred from the specific reserve back to retained profits.

14 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 30 June 2025 and 31 December 2024.

15 COMMITMENTS

Capital commitments outstanding not provided for in the financial statements were as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Contracted for	191,238	196,380

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

16 MATERIAL RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

During the six months ended 30 June 2025 and 2024, transactions with the following parties are considered as related party transactions:

Name of parties

THTF* (同方股份有限公司)

Tongfang Industrial Co., Ltd.* (同方工業有限公司)

Tsinghua Tongfang Artificial Environment Co., Ltd.* ("Tongfang Artificial") (同方人工環境有限公司)

Tongfang Intelligent Energy Co., Ltd.* (同方智慧能源有限責任公司)

Beijing Tongfang Property Management Co., Ltd.* (北京同方物業管理有限公司)

NUCTECH Co., Ltd.* (同方威視技術股份有限公司)

Wuxi Tongfang Artificial Environment Co., Ltd.* (無錫同方人工環境有限公司)

Tongfang Kawasaki Advanced Energy-saving Machine Co., Ltd.* (同方節能裝備有限公司)

* The official name of these entities is in Chinese. The English translation of the name is for reference only.

THTF is the controlling shareholder of the Company, incorporated in the PRC and produces financial statements available for public use. Other related parties listed above are subsidiaries of THTF or China National Nuclear Corporation ("CNNC").

Notes to the Unaudited Interim Financial Report (Continued)

(Expressed in RMB unless otherwise indicated)

16 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)**(b) Material related party transactions**

Particulars of material related party transactions during the six months ended 30 June 2025 and 2024 are as follows:

	2025 RMB'000	2024 RMB'000
Sales to THTF and its subsidiaries	153,942	43,330
Purchases from THTF and its subsidiaries	11,849	26,785
Receipt of miscellaneous products and services from THTF and its subsidiaries	6,882	6,838
Provide miscellaneous products and services to THTF and its subsidiaries	4,425	—
Payments transferred by THTF to the Group	240,668	297,691
Payments transferred by the Group to THTF	196,792	220,704
Sales to CNNC and its subsidiaries	10,501	12,067
Purchases from CNNC and its subsidiaries	1,692	417

Other than the above related party transactions, certain trademarks are used by the Group in the PRC licensed by THTF at nil consideration.

(c) Transactions with other state-controlled entities in the PRC

The controlling shareholder of the Company, THTF, is a state-controlled enterprise controlled by the PRC government. Apart from transactions with THTF and its subsidiaries and associate which were disclosed in Note 16(a) above, the Group also has transactions with other state-controlled entities, included but not limited to the following:

- sales of products and provision of services;
- purchase of materials; and
- bank deposits and borrowings.