



V S V.S. International Group Limited 威鉞國際集團有限公司

(incorporated in the Cayman Islands with limited liability)
(stock code: 1002)

2025
INTERIM REPORT

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Beh Kim Ling (*Chairman*)

Beh Chern Wei (*Managing Director*)

Beh Hwee Sze

Independent non-executive Directors

Tang Sim Cheow

Wan Mohd Fadzmi

Fu Xiao Nan

AUDIT COMMITTEE OF THE BOARD

Tang Sim Cheow (*Chairman of the Audit Committee*)

Wan Mohd Fadzmi

Fu Xiao Nan

REMUNERATION COMMITTEE OF THE BOARD

Fu Xiao Nan (*Chairman of the Remuneration Committee*)

Tang Sim Cheow

Beh Kim Ling

NOMINATION COMMITTEE OF THE BOARD

Wan Mohd Fadzmi (*Chairman of the Nomination Committee*)

Tang Sim Cheow

Beh Chern Wei

Fu Xiao Nan

COMPANY SECRETARY

Ng Ting On, Polly

REGISTERED OFFICE

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Hutchins Drive, P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

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Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square

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Grand Cayman

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Cayman Islands

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Computershare Hong Kong Investor Services Limited

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Hopewell Centre

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Wanchai, Hong Kong

LEGAL ADVISERS AS TO HONG KONG LAW

Chiu & Partners

40th Floor, Jardine House

1 Connaught Place

Central, Hong Kong



AUDITOR

PricewaterhouseCoopers

*Certified Public Accountants and Registered Public Interest
Entity Auditor*

22nd Floor, Prince's Building
Central, Hong Kong

PRINCIPAL BANKERS

United Overseas Bank (Vietnam) Limited, Hanoi Branch
Joint Stock Commercial Bank For Foreign Trade of Vietnam
Vietnam Technological and Commercial Joint Stock Bank
Malayan Banking Berhad Hong Kong Branch
Industrial & Commercial Bank of China Ltd.

SUBSIDIARIES

V.S. International Industry Limited

V.S. Holding Vietnam Limited

Energy Ally Global Limited

Vistra Corporate Services Centre
Wickhams Cay II, Road Town, Tortola
VG1110, British Virgin Islands

V.S. Corporation (Hong Kong) Co., Limited

VSA Holding Hong Kong Co., Limited

V.S. Industry Holding Limited

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V.S. Technology Industry Park (Zhuhai) Co., Ltd.

V.S. Industry (Zhuhai) Co., Ltd.

**Zhuhai Deyuan Energy Conservation Technology
Company Limited**

Beisha Village, Tangjia Wan Town
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Guangdong Province
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VS Industry Vietnam Joint Stock Company

VS Technology Company Limited

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Vietnam
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Introduction

The board (“Board”) of directors (“Directors”) of V.S. International Group Limited (“Company”) submits herewith the interim financial report of the Company and its subsidiaries (together, the “Group”) for the six months ended 30 June 2025, which has been reviewed by the audit committee (“Audit Committee”) of the Board.

Condensed Consolidated Income Statement

For the six months ended 30 June 2025



		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		Unaudited	Unaudited
Revenue	4	224,429	787
Cost of sales		(190,333)	(422)
Gross profit		34,096	365
Other income – net	5	1,305	2,005
Other gains – net	5	1,586	1,200
Distribution costs		(3,032)	(276)
General and administrative expenses		(20,541)	(28,749)
Reversal of impairment on financial assets		171	28
Operating profit/(loss)		13,585	(25,427)
Finance costs – net	6(a)	(2,925)	(65)
Share of net profit of an associate accounted for using the equity method	12	–	2,225
Reversal of impairment on investment accounted for using the equity method	12	–	9,179
Profit/(loss) before income tax	6	10,660	(14,088)
Income tax expenses	7(a)	(4,098)	(279)
Profit/(loss) for the period		6,562	(14,367)
Attributable to:			
Owners of the Company		589	(14,367)
Non-controlling interests		5,973	–
Profit/(loss) for the period		6,562	(14,367)
Profit/(loss) per share attributable to owners of the Company during the period (Renminbi cents)			
Basic and diluted	8	0.02	(0.62)

The notes on pages 12 to 37 are an integral part of these condensed consolidated interim financial information.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000 Unaudited	RMB'000 Unaudited
Profit/(loss) for the period	6,562	(14,367)
Other comprehensive loss for the period		
<i>Item that may be reclassified to profit or loss:</i>		
Currency translation differences	(697)	–
Total comprehensive income/(loss) for the period	5,865	(14,367)
Attributed to:		
Owners of the Company	(108)	(14,367)
Non-controlling interest	5,973	–
Total comprehensive income/(loss) for the period	5,865	(14,367)

The notes on pages 12 to 37 are an integral part of these condensed consolidated interim financial information.



Condensed Consolidated Statement of Financial Position

At 30 June 2025

		Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Note			
ASSETS			
Non-current assets			
	Property, plant and equipment	9(a) 137,584	142,821
	Right-of-use assets	9(b) 41,318	44,953
	Investment properties	455,900	455,900
	Other receivables, deposits and prepayments	11 701	981
	Deferred income tax assets	7(b) 6,011	5,537
		641,514	650,192
Current assets			
	Inventories	13 74,759	86,037
	Trade and other receivables, deposits and prepayments	11 70,116	73,208
	Amounts due from related parties	19(b) 178	–
	Restricted bank balance	14 1,975	13,198
	Cash and cash equivalents	15 62,163	53,632
		209,191	226,075
Total assets		850,705	876,267
EQUITY			
Capital and reserves			
	Share capital	17 114,351	114,351
	Share premium	310,099	310,099
	Other reserves	86,897	87,005
Total equity attributable to owners of the Company		511,347	511,455
	Non-controlling interests	71,705	65,732
Total equity		583,052	577,187

The notes on pages 12 to 37 are an integral part of these condensed consolidated interim financial information.

Condensed Consolidated Statement of Financial Position

At 30 June 2025

		Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
	Note		
LIABILITIES			
Non-current liabilities			
Loans from a director	19(d)	–	18,321
Borrowings	16	2,817	4,649
Lease liabilities	9(b)	7,920	11,659
Employee benefit obligations		3,026	2,824
Deferred income tax liabilities	7(b)	82,715	82,802
		96,478	120,255
Current liabilities			
Trade and other payables	18	82,586	81,351
Contract liabilities	18	2,819	4,379
Loans from a director	19(d)	28,272	10,382
Borrowings	16	46,511	64,803
Lease liabilities	9(b)	6,124	6,149
Amounts due to related parties	19(c)	174	4,307
Tax payable		4,689	7,454
		171,175	178,825
Total liabilities		267,653	299,080
Total equity and liabilities		850,705	876,267

The notes on pages 12 to 37 are an integral part of these condensed consolidated interim financial information.



Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

Attributed to owners of the Company

	Share capital RMB'000	Share premium RMB'000	Capital reserves RMB'000	Statutory reserve fund RMB'000	Foreign currency translation reserve RMB'000	Asset revaluation reserve RMB'000	Financial asset at fair value through other comprehensive income reserve RMB'000	Accumulated losses RMB'000	Total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
At 1 January 2024	105,013	306,364	11,752	61,977	467	–	(5,898)	(205,129)	274,546	–	274,546
Comprehensive loss											
Loss for the period	–	–	–	–	–	–	–	(14,367)	(14,367)	–	(14,367)
Total comprehensive loss	–	–	–	–	–	–	–	(14,367)	(14,367)	–	(14,367)
At 30 June 2024	105,013	306,364	11,752	61,977	467	–	(5,898)	(219,496)	260,179	–	260,179

The notes on pages 12 to 37 are an integral part of these condensed consolidated interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

Attributed to owners of the Company

	Share capital RMB'000	Share premium RMB'000	Capital reserves RMB'000	Statutory reserve fund RMB'000	Foreign currency translation reserve RMB'000	Asset revaluation reserve RMB'000	Financial asset at fair value through other comprehensive income reserve RMB'000	Accumulated losses RMB'000	Total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
At 1 January 2025	114,351	310,099	11,752	61,977	1,422	233,762	-	(221,908)	511,455	65,732	577,187
Comprehensive income											
Profit for the period	-	-	-	-	-	-	-	589	589	5,973	6,562
Currency translation differences	-	-	-	-	(697)	-	-	-	(697)	-	(697)
Total comprehensive income	-	-	-	-	(697)	-	-	589	(108)	5,973	5,865
At 30 June 2025	114,351	310,099	11,752	61,977	725	233,762	-	(221,319)	511,347	71,705	583,052

The notes on pages 12 to 37 are an integral part of these condensed consolidated interim financial information.



Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		Unaudited	Unaudited
Note			
	Cash flows generated from operating activities		
	Cash generated from/(used in) operations	36,947	(19,639)
	Income tax paid	(7,424)	(864)
	Net cash generated from/(used in) operating activities	29,523	(20,503)
	Cash flows from investing activities		
	Payments for the purchase of property, plant and equipment	(4,705)	(38)
	Proceeds from disposal of property, plant and equipment and right-of-use assets	—	899
	Interest received	45	503
	Net cash (used in)/generated from investing activities	(4,660)	1,364
	Cash flows from financing activities		
	Repayment of bank loans	(20,124)	—
	Decrease in loans from a director	—	(7,979)
	Lease payment	(3,764)	—
	Decrease in restricted bank balances	11,223	—
	Borrowing costs paid	(2,970)	(569)
	Net cash used in financing activities	(15,635)	(8,548)
	Net increase in cash and cash equivalents	9,228	(27,687)
	Cash and cash equivalents at 1 January	53,632	89,397
	Exchange loss on cash and cash equivalents	(697)	—
	Cash and cash equivalents at 30 June	62,163	61,710
15			

The notes on pages 12 to 37 are an integral part of these condensed consolidated interim financial information.



Notes to the Condensed Consolidated Interim Financial Information

1 GENERAL INFORMATION

V.S. International Group Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are principally engaged in the manufacturing and sale of plastic moulded products and parts, assembling of electronic products, and mould design and fabrication. The Company was incorporated in the Cayman Islands on 9 July 2001 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This condensed consolidated interim financial information is presented in Renminbi (“RMB”), unless otherwise stated.

This condensed consolidated interim financial information for the six months ended 30 June 2025 is unaudited and has been reviewed by the audit committee of the Company. This condensed consolidated interim financial information was approved for issue by the Board of Directors on 22 August 2025.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

This condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. This condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which were prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The preparation of this condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the annual financial statements for the year ended 31 December 2024.

The accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2024, except as mentioned below.



2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

(a) Amendments to standards adopted by the Group

The Group has applied the following amendments to standards for the first time for their annual reporting period commencing 1 January 2025:

Standards	Subject of amendment
HKAS 21 (Amendments)	Lack of Exchangeability

The adoption of the above amendments did not have any significant impact on the preparation of this interim condensed consolidated financial information.

(b) New standards, amendments to existing standards and interpretations not yet adopted

Certain new accounting standards, amendments to standards and interpretations have been published that are not mandatory for the Group's accounting periods beginning on or after 1 January 2025 and have not been early adopted by the Group:

Standards	Subject of amendment	Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (2020) Presentation of Financial Statements (Amendments)	Classification by the borrower of a term loan that contains a repayment on demand clause	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

These new standards and amendments to standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024.

There have been no changes in the risk management policies since 31 December 2024.

3.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

3.3 Fair value estimation

The different levels for analysis of financial instruments carried at fair value, by valuation method are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)



4 SEGMENT REPORTING

The Group manages its business by division, which is organised by a mixture of both business lines and geographical locations. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purpose of resource allocation and performance assessment, the Group has identified the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

Plastic injection and moulding	:	manufacturing and sale of plastic moulded products and parts
Assembling of electronic products	:	assembling and sale of electronic products, including processing fees generated from assembling of electronic products
Mould design and fabrication	:	manufacturing and sale of plastic injection moulds

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

Segment assets include all tangible and current assets other than deferred income tax assets, investment properties and unallocated head office and corporate assets. Segment liabilities include trade and other payables attributable to the individual segments.

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.

Revenue for the period consists of the following:

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		Unaudited	Unaudited
Revenue			
Plastic injection and moulding		82,984	338
Assembling of electronic products		140,349	315
Mould design and fabrication		1,096	134
		224,429	787
Timing of revenue recognition			
At a point in time		224,429	787
		224,429	787

4 SEGMENT REPORTING (CONTINUED)

(a) Segment results, assets and liabilities

The measure used for reporting segment profit/loss is “segment result”. To arrive at “segment result”, the Group’s earnings are further adjusted for items not specifically attributed to individual segments, such as head office or corporate administration costs.

In addition to receiving segment information regarding “segment result”, management is provided with other segment information in relation to depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations.

Information regarding the Group’s reportable segments as provided to the Group’s senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

	Plastic injection and moulding		Assembling of electronic products		Mould design and fabrication		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Six months ended 30 June:								
Revenue from external customers	82,984	338	140,349	315	1,096	134	224,429	787
Reportable segment result	11,060	(2,536)	18,555	6	111	(3)	29,726	(2,533)
Additions to non-current segment assets during the period	-	-	4,705	-	-	-	4,705	-
At 30 June/31 December:								
Reportable segment assets	165,200	165,682	124,274	133,373	4,364	6,993	293,838	306,048
Reportable segment liabilities	21,078	23,446	45,793	57,538	1,000	15	67,871	80,999



4 SEGMENT REPORTING (CONTINUED)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Revenue		
Reportable segment revenue	224,429	787
Consolidated revenue	224,429	787
Profit or loss		
Reportable segment profit/(loss)	29,726	(2,533)
Finance costs – net (Note 6(a))	(2,925)	(65)
Share of net profit of an associate accounted for using the equity method	–	2,225
Reversal of impairment on investment accounted for using the equity method	–	9,179
Unallocated depreciation and amortisation	(1,104)	(3,626)
Unallocated operating income and expenses	(15,037)	(19,268)
Profit/(loss) before income tax	10,660	(14,088)

4 SEGMENT REPORTING (CONTINUED)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities (Continued)

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Assets		
Reportable segment assets	293,838	306,048
Deferred income tax assets	6,011	5,537
Unallocated head office and corporate assets	94,956	108,782
Investment properties	455,900	455,900
Consolidated total assets	850,705	876,267
Liabilities		
Reportable segment liabilities	67,871	80,999
Deferred income tax liabilities	82,715	82,802
Unallocated head office and corporate liabilities	117,067	135,279
Consolidated total liabilities	267,653	299,080



4 SEGMENT REPORTING (CONTINUED)

(c) Revenue by geographical locations

Revenue from external customers by economic environments is analysed as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
United States of America	180,295	—
South East Asia	31,664	—
Europe	10,637	—
Mainland China	1,612	315
Hong Kong	221	472
	224,429	787

An analysis of the Group's carrying amount of segment non-current assets is analysed as follows:

	Unaudited	Audited
	At 30 June	At 31 December
	2025	2024
	RMB'000	RMB'000
Mainland China	465,553	466,220
Vietnam	175,961	183,972
	641,514	650,192

The Group's customer base is diversified but includes four (2024: two) customers with whom transactions have individually exceeded 10% of the Group's aggregate revenue for the six months ended 30 June 2025.

Those customers individually contributed 42%, 23%, 21% and 14% of the Group's revenue (2024: 60% and 40%), respectively.

Notes to the Condensed Consolidated Interim Financial Information

5 OTHER INCOME AND OTHER GAINS – NET

	Six months ended 30 June	
	2025	2024
	RMB'000 Unaudited	RMB'000 Unaudited
Other Income – net		
Sales of scrap materials	–	271
Government subsidy	15	–
Rental income	571	476
Sundry income	719	1,258
	1,305	2,005
Other gains – net		
Net foreign exchange gains	582	262
Gain on disposal of property, plant and equipment and right-of-use assets	1,004	938
	1,586	1,200



6 PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(loss) before income tax is arrived at after charging/(crediting) the following:

(a) Finance costs – net

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Interest income from bank deposits	(45)	(503)
Interest on loans from a director	740	563
Interest on bank borrowings	1,860	–
Interest expenses on lease liabilities	216	–
Other finance charges	154	5
	2,970	568
Finance costs – net	2,925	65

(b) Other items

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Cost of sales	190,333	422
Depreciation on property, plant and equipment	9,432	5,384
Depreciation on right-of-use assets	3,529	286
Expenses relating to short-term leases	2,529	17
Reversal of impairment loss on financial assets	171	28
Legal and professional fee	1,015	1,138
Reversal of provision for impairment of inventories	–	(32)
Staff cost	32,187	15,758

7 INCOME TAX EXPENSES

(a) Income tax expenses

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Current income tax		
Current corporate income tax	(4,659)	(864)
Deferred income tax		
Origination and reversal of temporary differences	561	585
	(4,098)	(279)

No provision has been made for Hong Kong profits tax as the Group did not earn income subject to Hong Kong profits tax during the six months ended 30 June 2025 and 2024.

The Group's subsidiaries established in the People's Republic of China ("PRC") are subject to a corporate income tax rate of 25%.

The Group's subsidiaries established in Vietnam are subject to a corporate income tax rate of 20%.

Pursuant to the relevant corporate income tax rules and regulations, withholding tax is imposed on dividends declared in respect of profits earned by the Company's PRC subsidiaries from 1 January 2008 onwards.

The Group is not subject to any income tax in the Cayman Islands or the British Virgin Islands.



7 INCOME TAX EXPENSES (CONTINUED)

(b) Deferred income tax assets/(liabilities)

Deferred income tax is recognised on temporary differences under the liability method using the prevailing taxation rate of the regions where the temporary differences are related to.

The movement in the deferred income tax account is as follows:

Deferred income tax liabilities – unremitted retained profits of both PRC and Vietnam subsidiaries

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
At beginning of the period	(82,802)	(922)
Credited to the income statement	87	585
At end of the period	(82,715)	(337)

Deferred income tax assets – provisions

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
At beginning of the period	5,537	–
Charged to the income statement	474	–
At end of the period	6,011	–

8 PROFIT/(LOSS) PER SHARE

The calculation of basic profit/(loss) per share is based on the profit attributable to owners of the Company of RMB589,000 (2024: loss of RMB14,367,000) and the weighted average number of ordinary shares in issue during the current and the prior period as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Profit/(loss) attributable to owners of the Company (RMB'000)	589	(14,367)
Weighted average number of ordinary shares in issue ('000)	2,511,085	2,307,513
Basic and diluted profit/(loss) per share (RMB cents)	0.02	(0.62)

For the six months ended 30 June 2025 and 2024, diluted profit/(loss) per share equals to basic profit/(loss) per share as there were no potential dilutive ordinary shares outstanding during the year.



9 PROPERTY, PLANT AND EQUIPMENT AND LEASES

(a) Property, plant and equipment

	Property, plant and equipment RMB'000
Cost	
Opening balance at 1 August 2023	693,643
Acquisition of a subsidiary	131,973
Additions	8,618
Disposals	(22,113)
Written off	(58,397)
Transfer to investment properties	(245,511)
Exchange difference	2,283
At 31 December 2024	510,496
Accumulated depreciation and amortisation	
Opening balance at 1 August 2023	508,354
Charge for the period	24,733
Disposals	(20,251)
Written off	(57,985)
Impairment	23,928
Transfer to investment properties	(112,457)
Exchange difference	1,353
At 31 December 2024	367,675
Net book value	
At 31 December 2024 (Audited)	142,821
At 31 July 2023 (Audited)	185,289
Cost	
Opening balance at 1 January 2025	510,496
Additions	4,705
Disposals	(9,558)
Exchange difference	(1,282)
At 30 June 2025	504,361

9 PROPERTY, PLANT AND EQUIPMENT AND LEASES (CONTINUED)

(a) Property, plant and equipment (Continued)

	Property, plant and equipment RMB'000
Accumulated depreciation and amortisation	
Opening balance at 1 January 2025	367,675
Charge for the period	9,432
Written back on disposals	(9,558)
Exchange difference	(772)
At 30 June 2025	366,777
Net book value	
At 30 June 2025 (Unaudited)	137,584
At 31 December 2024 (Audited)	142,821

(b) Right-of-use assets and lease liabilities

(i) Amounts recognised in the condensed consolidated interim statement of financial position

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Right-of-use assets		
Land use rights	19,598	19,808
Machineries	21,720	25,145
	41,318	44,953
Lease liabilities		
Current	6,124	6,149
Non-current	7,920	11,659
	14,044	17,808

There were no additions to the right-of-use assets during the six months ended 30 June 2025.



9 PROPERTY, PLANT AND EQUIPMENT AND LEASES (CONTINUED)

(b) Right-of-use assets and lease liabilities (Continued)

(ii) Amounts recognised in the condensed consolidated income statement

The condensed consolidated income statement shows the following amounts relating to leases:

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		Unaudited	Unaudited
Depreciation of right-of-use assets	6(b)	3,529	286
Expenses related to short-term leases	6(b)	2,529	17
		6,058	303

The total cash outflow for leases for the six months ended 30 June 2025 was RMB2,529,000 (2024: RMB17,000).

As at 30 June 2025 and 31 December 2024, right-of-use assets of RMB16,105,000 and property, plant and equipment of RMB39,255,000 have been pledged as security for its trade finances, overdraft and bank loans.

10 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Movements of the carrying amount of financial asset at fair value through other comprehensive income during the period are as follows:

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
At beginning of the period	–	2300
Change in fair value	–	450
Disposal of financial assets at fair value through other comprehensive income	–	(2,750)
At end of the period	–	–

Notes:

- (a) The balance represented fair value of the Group's 10% equity interest in Qingdao GS Electronics Plastics Co., Ltd. and is dominated in RMB.
- (b) Valuation of financial asset at fair value through other comprehensive income

The fair value of the unlisted equity investment that is not traded in an active market is determined by an independent qualified valuer, Asset Appraisal Limited.

The valuation of financial asset at fair value through other comprehensive income is determined using discounted cash flow projects and are within level 3 of fair value hierarchy. The significant unobservable inputs are revenue growth rate and the rate of return on the investment. The lower the rate of return, the higher the fair value of the investment. The higher the revenue growth rate, the higher the fair value of the investment.



11 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Trade receivables	63,715	70,422
Less: Loss allowance	(610)	(781)
Trade receivables – net	63,105	69,641
Other receivables, deposits and prepayments	7,712	4,548
Less: Other receivables, deposits and prepayments (non-current)	(701)	(981)
Total trade and other receivables, deposits and prepayments (current)	70,116	73,208

The ageing analysis of the Group's trade receivables by invoice date is as follows:

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Up to 3 months	59,567	52,908
3 to 6 months	4,009	16,355
Over 6 months	139	1,159
	63,715	70,422

Credit terms granted by the Group to customers generally range from 30 to 120 days.

The Group does not hold any collaterals from customers.

Notes to the Condensed Consolidated Interim Financial Information

12 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD AND COST METHOD

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
At beginning of period	—	10,365
Share of profit of an associate	—	4,094
Currency translation differences	—	33
Reversal of impairment	—	9,179
Deem disposal as completion of step acquisition	—	(23,671)
At end of the period	—	—

The particulars of the Group's subsidiary in Vietnam as at 30 June 2025 and 31 December 2024 are as follows:

Name of company	Place of incorporation and kind of legal entity	Principal activities and place of operation	Particulars of capital	Year	% of attributable interests held indirectly	Measurement method
VS Industry Vietnam Joint Stock Company ("VS Vietnam")	Vietnam, Limited liability company	Manufacturing and selling of plastic moulded products and parts in Vietnam	Legal capital of US\$21,291,213	2024	62.03%	Cost method
VS Vietnam	Vietnam, Limited liability company	Manufacturing and selling of plastic moulded products and parts in Vietnam	Legal capital of US\$21,291,213	2025	62.62%	Cost method

VS Vietnam is a private company and there is no quoted market price available for its shares.

There are no contingent liabilities relating to the Group's interest in the subsidiary.



13 INVENTORIES

Inventories comprise:

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Raw materials	47,728	58,138
Work-in-progress	925	10,842
Finished goods	35,449	26,400
Inventories – gross	84,102	95,380
Provision for impairment	(9,343)	(9,343)
Inventories – net	74,759	86,037

14 Restricted bank balance

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Pledged deposits with banks (Note)	1,975	13,198

Note:

The deposits of RMB1,975,000 (31 December 2024: RMB13,198,000) are pledged to bank as security for certain banking facilities, including trade finances, overdrafts and bank loans.

Notes to the Condensed Consolidated Interim Financial Information

15 CASH AND CASH EQUIVALENTS

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Cash at banks and on hand	62,163	53,632

16 BORROWINGS

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Current		
Portion of bank borrowings repayable within one year, secured	46,511	64,803
	46,511	64,803
Non-current		
Bank borrowings repayable after one year but within two years, secured	1,686	4,388
Bank borrowings repayable after two years but within five years, secured	1,131	261
	2,817	4,649
Total borrowings	49,328	69,452



16 BORROWINGS (CONTINUED)

Certain banking facilities are secured by the following assets of the Group:

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Bank deposits	1,975	13,198
Property, plant and equipment	84,753	91,226
Right-of-use assets	2,701	2,778
	89,429	107,202

17 SHARE CAPITAL

Authorised and issued share capital

	Unaudited At 30 June 2025		Audited At 31 December 2024	
	Number of shares '000	Amount '000	Number of shares '000	Amount '000
Authorised:				
Ordinary shares of HK\$0.05 each	4,000,000	200,000	4,000,000	200,000
Issued and fully paid: (RMB'000)				
At 1 January 2024 and 2025	2,511,084	114,351	2,307,513	105,013
Consideration issue	–	–	203,571	9,338
At 31 December 2024 and 30 June 2025	2,511,084	114,351	2,511,084	114,351

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Notes to the Condensed Consolidated Interim Financial Information

18 TRADE AND OTHER PAYABLES

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Trade payables	49,044	52,767
Accrued expenses and other payables	31,949	28,172
Contract liabilities	2,819	4,379
Deposits received	1,593	412
Trade and other payables	85,405	85,730

Note:

The ageing analysis of trade payables on invoice date is as follows:

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Less than 1 month	24,582	44,331
1 to 3 months	24,462	8,182
More than 3 months	—	254
	49,044	52,767



19 SIGNIFICANT RELATED PARTY TRANSACTIONS

- (a) During the six months ended 30 June 2025, the Group entered into the following significant related party transactions:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Sales of goods to a company controlled by the family member of a director	194	–
Expense relating to leases paid and payable to a company controlled by a director	–	63
Technical service fee paid and payable to a company controlled by the family member of a director	–	55
Repair and maintenance services fee paid and payable to a company controlled by a family member of a director	49	66

The transactions described above are entered into at terms and prices mutually agreed between the relevant parties.

19 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Amounts due from related parties were detailed as follows:

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Amount due from a company controlled by a director	178	—

Amounts due from related parties are interest-free, unsecured and repayable on demand.

(c) Amounts due to related parties were detailed as follows:

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
Amounts due to a company controlled by a family member of a director	—	4,143
Amounts due to a shareholder (current)	174	164
	174	4,307

The amounts due to related parties are interest-free, unsecured and repayable on demand.



19 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Loans from a director

Loans from a director was unsecured with interest-bearing at the rate of 3.50% and 5.00% per annum, respectively and due for repayment on 30 June 2026 and 31 May 2026, respectively. The carrying amount of the loans from a director approximated its fair value and were denominated in US\$ and HK\$.

	Unaudited At 30 June 2025 RMB'000	Audited At 31 December 2024 RMB'000
US\$	17,253	17,324
HK\$	7,747	7,866
SGD	3,272	3,513
	28,272	28,703



Management Discussion and Analysis of Results of Operations

OVERVIEW

During the period, the Group continued to implement its strategies to focus on costs control.

FINANCIAL REVIEW

The Group recorded a revenue of RMB224.43 million, representing a significant increase of RMB223.64 million as compared to RMB0.79 million for the corresponding period in 2024. Gross profit for the period increased from RMB0.37 million for the corresponding period in 2024 to RMB34.10 million. The gross profit margin dropped from 46.84% to 15.19%. The increase in revenue and gross profit in this financial period was due to the consolidation of financial results of VS Industry Vietnam Joint Stock Company ("VS Vietnam") from 16 July 2024 upon completion of acquisition of 43.29% equity interest in VS Vietnam ("Acquisition").

The Group's operating expenses, composed of distribution costs and general and administrative expenses, decreased from RMB29.03 million to RMB23.57 million, representing a decrease of RMB5.46 million as compared to the corresponding period in 2024. The Group recorded a profit attributable to owners of the Company of RMB0.59 million as compared to a loss of RMB14.37 million in the corresponding period ended 30 June 2024.

Plastic injection and moulding business

The Group recorded a revenue of RMB82.98 million for this segment, representing a significant increase of RMB82.64 million as compared to RMB0.34 million for the corresponding period in 2024 due to the consolidation of financial results of VS Vietnam from 16 July 2024 upon completion of the Acquisition.

Assembling of electronic products business

This segment recorded a revenue of RMB140.35 million, representing a significant increase of RMB140.03 million from RMB0.32 million for the corresponding period in 2024 due to the consolidation of financial results of VS Vietnam from 16 July 2024 upon completion of the Acquisition.

Mould design and fabrication business

The mould design and fabrication segment recorded a revenue of RMB1.10 million, representing a significant increase of RMB0.97 million as compared to RMB0.13 million for the corresponding period in 2024 due to the consolidation of financial results of VS Vietnam from 16 July 2024 upon completion of the Acquisition.

Distribution costs

Distribution costs amounted to RMB3.03 million, representing a significant increase of RMB2.75 million as compared to RMB0.28 million in the corresponding period ended 30 June 2024. The increase in distribution costs was mainly due to the increase in commission.

General and administrative expenses

General and administrative expenses amounted to RMB20.54 million, representing a decrease of RMB8.21 million or 28.56% as compared to RMB28.75 million for the corresponding period in 2024. The decrease was primarily due to the decrease in employee termination benefits of RMB10.20 million during the period.

Other gains – net

During the period, the Group recorded other net gains of RMB1.59 million as compared to RMB1.20 million for the corresponding period in 2024, which comprised mainly net gain on disposal of property, plant and equipment and right-of-use assets of RMB1.01 million and net foreign exchange gain of RMB0.58 million.

Finance costs – net

The net finance costs for the period amounted to RMB2.93 million (2024: RMB0.07 million). The increase was mainly due to higher interest-bearing borrowings during the period.

Share of net profit of an associate accounted for using the equity method

The Group's share of net profit of an associate accounted for using the equity method of RMB2.23 million for the corresponding period in 2024 was solely attributed to profit recorded from its associate in Vietnam.

Reversal of impairment on investment accounted for using the equity method

During the corresponding period in 2024, VS Vietnam, an associate of the Company before completion of the Acquisition, recorded steady improvement of business performance. After considering the financial position of VS Vietnam and the likelihood of recovering the net investment in VS Vietnam as an associate, the management of the Group made a reversal of impairment of RMB9,179,000 against its carrying amount of this investment in associate.

INTERIM DIVIDENDS

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



Future Prospects

The Group has begun operation expansion in Vietnam with the completion of acquisition of VS Vietnam. By managing cost control through industrial automation and increasing revenue with the addition of new customers, the Group aims to further improve its financial position. In addition, the Group continues to seek opportunities to lease out existing investment properties.

Other Information



LIQUIDITY AND FINANCIAL RESOURCES

During the period, the Group financed its operations and investing activities mainly by means of internally generated operating cash flow, bank borrowings, loans from a director and lease liabilities. As at 30 June 2025, the Group had cash and cash equivalents and restricted bank balances of RMB64.14 million (31 December 2024: RMB66.83 million), of which RMB1.98 million (31 December 2024: RMB13.20 million) was pledged to banks for the facilities granted to the Group. 61.09%, 26.22% and 10.77% of cash and cash equivalents and restricted bank balances are denominated in United States dollars ("USD"), Renminbi ("RMB") and Vietnamese Dong ("VND"), respectively.

As at 30 June 2025, the Group had outstanding interest-bearing borrowings including lease liabilities and loans from a director of RMB91.65 million (31 December 2024: RMB115.96 million). The total borrowings including lease liabilities and loans from a director were denominated in USD (63.39%), VND (24.59%), HK\$ (8.45%) and SGD (3.57%), and the maturity profile is as follows:

Repayable	As at 30 June 2025		As at 31 December 2024	
	RMB million (Unaudited)	%	RMB million (Audited)	%
Within one year	80.91	88.28	81.33	70.14
After one year but within two years	9.61	10.49	28.12	24.25
After two years but within five years	1.13	1.23	6.51	5.61
Total borrowings including lease liabilities and loans from a director	91.65	100.00	115.96	100.00
Cash and cash equivalents and restricted bank balances	(64.14)		(66.83)	
Net borrowings including lease liabilities and loans from a director	27.51		49.13	

As at 30 June 2025, the Group's net current assets were RMB38.02 million (31 December 2024: RMB47.25 million).

The gearing ratio is calculated as the Group's net borrowings at the end of the financial period divided by total capital at the end of the financial period. Net borrowings of the Group is calculated as its total borrowings including lease liabilities and loans from a director less cash and cash equivalents and restricted bank balances. Total capital is calculated as total equity attributable to owners of the Company plus net borrowings including lease liabilities and loans from a director. The gearing ratio of the Group was 5.11% as at 30 June 2025 (31 December 2024: 8.76%).

CHARGES ON GROUP ASSETS

As at 30 June 2025, the Group's secured banking facilities, including trade finance, overdrafts and bank loans, totaling RMB142.46 million (31 December 2024: RMB117.14 million) were secured by (i) restricted bank balances of the Group of RMB1.98 million (31 December 2024: RMB13.20 million); (ii) the building of the Group, net book value of which amounted to RMB45.50 million (31 December 2024: RMB46.76 million); (iii) property, plant and equipment and right-of-use assets (excluding land use rights) of the Group, net book value of which amounted to RMB52.66 million (31 December 2024: RMB46.76 million); and (iv) land use rights of the Group, net book value of which amounted to RMB2.70 million (31 December 2024: RMB2.78 million).

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not conduct any significant investments, material acquisitions or disposals during the financial period. The Group has been streamlining its operation over the years with an aim to improve the Group's financial position by focusing on costs control and lower geared structure and higher liquidity. The Group will explore new market opportunities and expand its business portfolio, aiming to enrich its income streams and maintain steady business growth.

CONTINGENT LIABILITIES

The Group does not have any material contingent liabilities as at 30 June 2025.

FOREIGN EXCHANGE EXPOSURE

The Group is exposed to foreign currency risks primarily through sales, purchases and borrowings that are denominated in currencies other than the functional currency of individual group entities. The currencies giving rise to the risk was primarily USD.

During the period, the Group has made net foreign exchange gain of RMB0.58 million (2024: RMB0.26 million) mainly due to the unrealised and realised foreign exchange gain.

As at 30 June 2025, if RMB had weakened/strengthened by 5% against USD, with all other variables held constant, post-tax profit for the period would have been approximately RMB201,000 lower/higher (2024: post-tax loss for the period would have been approximately RMB236,000 higher/lower), mainly as a result of foreign exchange gains/losses on translation of financial assets and liabilities denominated in currencies other than the functional currency of the respective group entities.



As at 30 June 2025, if RMB had weakened/strengthened by 5% against HK\$, with all other variables held constant, post-tax profit for the period would have been approximately RMB310,000 lower/higher (2024: post-tax loss for the period would have been approximately RMB412,000 higher/lower), mainly as a result of foreign exchange losses/gains on translation of financial assets and liabilities denominated in currencies other than the functional currency of the respective group entities.

At 30 June 2025, if RMB had weakened/strengthened by 5% against VND, with all other variables held constant, post-tax profit for the year would have been approximately RMB1,719,000 lower/higher (2024: nil), mainly as a result of foreign exchange losses/gains on translation of financial assets and liabilities denominated in currencies other than the functional currency of the respective group entities.

At 30 June 2025, if RMB had weakened/strengthened by 5% against SGD, with all other variables held constant, post-tax profit for the year would have been approximately RMB131,000 lower/higher (2024: nil), mainly as a result of foreign exchange losses/gains on translation of financial assets and liabilities denominated in currencies other than the functional currency of the respective group entities.

The Group will continue to monitor the Group's foreign currency risk exposure and to ensure that it is kept at an acceptable level.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had a total of 858 employees (31 December 2024: 1,033). During the period, the Group did not make significant change to the Group's remuneration policies. Human resources expenses of the Group (excluding Directors' remuneration but including employee termination benefits) for the period amounted to RMB29.33 million (2024: RMB12.94 million). The increase in human resources expenses was mainly due to the consolidation of financial results of VS Vietnam from 16 July 2024 upon completion of the Acquisition. The Group's remuneration package is updated on an annual basis and appropriate adjustments are made with reference to prevailing conditions of the human resources market and the general outlook of the economy. The Group's employees are rewarded in tandem with their performance and experience. The Group recognises that the improvement of employees' technical knowledge, welfare and wellbeing is essential to attract and retain quality and dedicated employees in support of future growth of the Group.



Other Information



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

During the period, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities. The Company did not hold any treasury shares during the six months ended 30 June 2025.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

There were no other significant events affecting the Company nor any of its subsidiaries after the reporting period as at 30 June 2025 requiring disclosure in this interim report.

AUDIT COMMITTEE

The Audit Committee has reviewed the Group's interim financial results for the six months ended 30 June 2025 and is of the opinion that such statements comply with the applicable accounting standards, the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and the requirements of applicable laws, codes and regulations and that adequate disclosure pursuant thereto have been made.



DIRECTOR'S INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests and short positions of the Directors and chief executive of the Company in the shares ("Shares"), underlying shares and debentures of the Company and its associated corporations (as defined in Part XV of the Securities and Futures Ordinance ("SFO")) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have taken under such provisions of the SFO) or which will be required pursuant to section 352 of the SFO to be entered in the register referred to therein or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules ("Model Code"), to be notified to the Company and the Stock Exchange were as follows:

Name of Director (Note 1)	The Company/name of associated corporation	Capacity	Number and class of securities (Note 2)	Approximate percentage of interest
Beh Kim Ling	The Company	Beneficial owner	203,404,532 Shares (L)	8.10%
	V.S. Corporation (Hong Kong) Co., Limited ("VSHK")	Beneficial owner	3,750,000 non-voting deferred shares of HK\$1 each (L)	5.00%
	V.S. Industry Berhad ("VS Berhad")	Beneficial owner	297,374,886 ordinary shares (L)	7.74%
Beh Chern Wei	The Company	Beneficial owner	41,111,960 Shares (L)	1.64%
	VSHK	Beneficial owner	1,250,000 non-voting deferred shares of HK\$1 each (L)	1.67%
	VS Berhad	Beneficial owner	129,143,750 ordinary shares (L)	3.36%
Zhang Pei Yu	The Company	Beneficial owner	2,000 Shares (L)	0.00%

DIRECTOR'S INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (CONTINUED)

Name of Director (Note 1)	The Company/name of associated corporation	Capacity	Number and class of securities (Note 2)	Approximate percentage of interest
Beh Hwee Sze	The Company	Beneficial owner	30,206,960 Shares (L)	1.20%
	VS Berhad	Beneficial owner	138,967,412 ordinary shares (L)	3.62%
Tang Sim Cheow	The Company	Beneficial owner	639,130 Shares (L)	0.03%

Notes:

1. Mr. Beh Kim Ling is the father of Mr. Beh Chern Wei and Ms. Beh Hwee Sze.
2. The letter "L" represents the Director's long position interest in the shares and underlying shares of the Company or its associated corporations.

Save as disclosed above, none of the Directors and chief executive of the Company had any interest or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the six months ended 30 June 2025 was the Company, any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.



DIRECTORS' INTERESTS IN CONTRACTS

Apart from the related party transactions as disclosed in note 19 to the interim financial information of the Group, no contract of significance to which the Company, any of its subsidiaries or fellow subsidiaries was a party, in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the period under review or at any time during the period under review.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2025, the following persons or entities, other than a Director or chief executive of the Company, had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of Shareholder	Number of Shares (Note 1)	Nature of interest/capacity	Approximate percentage of Interest
VS Berhad	845,344,130 (L)	Beneficial owner	33.66%
B&E Holding Limited	203,571,429 (L)	Beneficial owner	8.11%
Beh Kim Siea	203,571,429 (L)	Interest in controlled corporation (Note 2)	8.11%
Lui Chong Huat	184,437,833 (L)	Beneficial owner	7.34%
Wan Poh Ping	184,437,833 (L)	Interest of spouse (Note 3)	7.34%
Wu Jeff Jan-Yuan	30,206,960 (L)	Interest of spouse (Note 4)	1.20%

Notes:

1. The letter "L" represents the shareholder's long position interest in the shares of the Company.
2. B&E Holding Limited is wholly-owned by Mr. Beh Kim Siea. Under the SFO, Mr. Beh Kim Siea is deemed to be interested in all the shares of the Company in which B&E Holding Limited is interested.
3. Ms. Wan Poh Ping is the spouse of Mr. Lui Chong Huat. Under the SFO, Ms. Wan Poh Ping is deemed to be interested in all the shares of the Company in which Mr. Lui Chong Huat is interested.
4. Mr. Wu Jeff Jan-Yuan is the spouse of Ms. Beh Hwee Sze. Under the SFO, Mr. Wu Jeff Jan-Yuan is deemed to be interested in all the shares of the Company in which Ms. Beh Hwee Sze is interested.



Other Information



COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions (“Code Provisions”) of the Corporate Governance Code (“CG Code”) as set out in Appendix C1 to the Listing Rules throughout the six months except for the deviation from Code Provision C.2.1 in respect of segregation of the roles of chairman and chief executive officer.

According to Code Provision C.2.1 under the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Beh Kim Ling and Mr. Beh Chern Wei are the Chairman and the Managing Director of the Company respectively. Mr. Beh Kim Ling, in addition to his duties as the Chairman of the Company, is also responsible for the strategic planning and overseeing all aspects of the Group’s operations. This constitutes a deviation from Code Provision C.2.1 as part of his duties overlap with those of the managing director, who is in practice the chief executive officer. As the founder of the Group, Mr. Beh Kim Ling has extensive experience and knowledge in the core business of the Group and his duties for overseeing the Group’s operations is clearly beneficial to the Group. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group. Going forward, the Board will periodically review the effectiveness of this arrangement.

COMPLIANCE WITH APPENDIX C3 TO THE LISTING RULES

The Company has adopted a securities dealing code (“SD Code”) regarding the dealings of the Directors and members of the senior management of the Group in securities of the Company, on terms no less exacting than the required standard under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.

The Company, having made specific enquiry on all Directors, is not aware of any non-compliance by any Director during the period with the SD Code and Appendix C3 to the Listing Rules throughout the six months period ended 30 June 2025.

By order of the Board
V.S. International Group Limited
Beh Kim Ling
Chairman

Johor Bahru, Malaysia
22 August 2025