

# SHUOAO 碩奧

Shuoao International Holdings Limited

碩奧國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 2336)

INTERIM  
REPORT  
**2025**



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Mr. Cao Jianguo (曹建國先生) (*Chairman*)

Mr. Feng Luming (馮櫓銘先生)  
(*Chief Executive Officer*)

Dr. Jin Xiaozheng (金曉錚博士)

### Independent Non-executive Directors

Dr. Chan Wing Mui Helen

Mr. Chiu King Yan

Mr. Wang Cheung Yue

## AUDIT COMMITTEE

Mr. Chiu King Yan (*Chairman*)

Dr. Chan Wing Mui Helen

Mr. Wang Cheung Yue

## REMUNERATION COMMITTEE

Dr. Chan Wing Mui Helen (*Chairman*)

Mr. Chiu King Yan

Mr. Wang Cheung Yue

## NOMINATION COMMITTEE

Mr. Wang Cheung Yue (*Chairman*)

Mr. Cao Jianguo (曹建國先生)

Dr. Chan Wing Mui Helen

Mr. Chiu King Yan

## CREDIT COMMITTEE

Mr. Feng Luming (馮櫓銘先生) (*Chairman*)

Dr. Jin Xiaozheng (金曉錚博士)

## COMPANY SECRETARY

Ms. Chan Pui Ching

## TRADING OF SHARES

The Stock Exchange of Hong Kong Limited  
(Stock Code: 2336)

## REGISTERED OFFICE

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Office 18, 6th Floor

World-wide House

No. 19 Des Voeux Road Central

Hong Kong

## PRINCIPAL BANKS

Australia and New Zealand Banking  
Group Limited

Bank of China (Hong Kong) Limited

Hang Seng Bank Limited

## LEGAL ADVISER

King & Wood Mallesons

## AUDITOR

ZHONGHUI ANDA CPA Limited

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Vistra (Cayman) Limited

P.O. Box 31119 Grand Pavilion

Hibiscus Way, 802 West Bay Road

Grand Cayman KY1-1205

Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

## COMPANY'S WEBSITE

[www.shuoaointernational.com](http://www.shuoaointernational.com)



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS OVERVIEW

For the six months ended 30 June 2025, Shuoao International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) continued to engage in the business of sale of metals and development and provision of electronic turnkey device solutions. At the same time, the Group is continuously engaging in the business of property development in Australia with various possibilities under consideration.

## RESULTS OF THE GROUP

For the six months ended 30 June 2025, the Group reported revenue of HK\$77,209,000, representing a 17% increase as compared with the same period in 2024 (30 June 2024: HK\$66,207,000), and gross profit of HK\$7,452,000, representing a 12% increase as compared with the same period in 2024 (30 June 2024: HK\$6,676,000). The Group reported loss of HK\$136,000 (30 June 2024: HK\$766,000) and other comprehensive income of HK\$19,116,000 (30 June 2024: HK\$4,476,000), comprising fair value gain on the investment in the ordinary shares (the “Jinjiang Shares”) of Zheneng Jinjiang Environment Holding Company Limited ( 浙能 錦江 環境 控股 有限 公 司 ) (“Zheneng Jinjiang”) of HK\$5,748,000 (30 June 2024: HK\$8,987,000) and exchange gain arising from translating foreign operations of HK\$13,368,000 (30 June 2024: exchange loss of HK\$4,511,000), which led to the result that the Group recorded total comprehensive income of HK\$18,980,000 for the six months ended 30 June 2025 (30 June 2024: HK\$3,710,000). The loss attributable to owners of the Company for the six months ended 30 June 2025 was HK\$202,000 (30 June 2024: HK\$2,036,000); whereas basic loss per share was HK0.01 cent (30 June 2024: HK0.11 cent).

In general, with the strengthened sales force of the Group and the growing domestic demand for smart home electrical appliances in China, the Group’s overall revenue and gross profit were improved as compared with the same period in 2024. On the other hand, the increase in exchange gain arising from translating foreign operations recognised under other comprehensive income of the Group mainly resulted from the appreciation of both Australian dollars and Renminbi against Hong Kong dollars over the reporting period.

## BUSINESS REVIEW

### Sale of Metals

With the enhanced sales effort by the Group, this segment recorded an increase in segment revenue by 28% to HK\$29,576,000 (30 June 2024: HK\$23,077,000) and segment profit of HK\$1,274,000 (30 June 2024: segment loss of HK\$253,000). The segment profit mainly arose from an unrealised exchange gain on re-translation of bank balances during the reporting period.

For the business of sale of metals, payment in advance is generally required. The Group grants credit term to selected customers with continuous monitoring after thorough credibility evaluation. As the Group maintains strict credit controls on its customers in order to protect the interests of the Group and its stakeholders, it considers that the risks associated with reliance on these major customers are minimal.



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW (Continued)

### Development and Provision of Electronic Turnkey Device Solutions

The results of the Group's business of development and provision of electronic turnkey device solutions were mainly driven by the results of a subsidiary in the People's Republic of China (the "PRC") which is 50.21% owned by the Group and is principally engaged in the manufacturing and sale of microcontrollers for home electrical appliances. As consumers' demand for smart home electrical appliances becomes increasingly diversified to meet their pursuit of high-quality and personalised lifestyles, the smart home electrical appliance industry in China continues to grow. Coupled with the sustained enhancement of technical capabilities by the Group, this segment recorded an increase in segment revenue by 10% to HK\$47,633,000 (30 June 2024: HK\$43,130,000) and segment profit of HK\$145,000 (30 June 2024: HK\$2,616,000). The decrease in segment profit was mainly due to an increase in overdue trade receivables resulting in an impairment loss on trade receivables of HK\$2,203,000 (30 June 2024: HK\$480,000) recognised during the reporting period.

### Property Development

#### *Property development in Australia going forward*

The Group conducts its business of property development by establishing a property development operation in Australia. For the six months ended 30 June 2025, no segment revenue (30 June 2024: Nil) and segment profit of HK\$299,000 (30 June 2024: segment loss of HK\$640,000) were recorded in this segment. The segment profit mainly arose from rental income from existing shop tenants of the Site (as defined below) during the period under review.

As at the date of this interim report, the Planning Proposal (as defined below) of the Site (as defined below) has been approved by the Canterbury Bankstown Council (the "Council") and permitted by the Department of Planning and Environment of the New South Wales Government (the "Department") to proceed forward. This stage is the pathway to obtain the development consent in relation to the land in Australia acquired by the Group in February 2015 (the "Site"). Details of the agreement in relation to the acquisition of the Site and the delay in development are set out in the circular and the announcement of the Company dated 24 January 2015 and 30 November 2015, respectively.

In 2015, the Department issued the draft precinct plans (the "Draft Plans") for the region in which the Site is located indicating a willingness to rezone the Site to allow for residential use. After the public consultation conducted in 2016, the Department decided to revise the Draft Plans and the draft Sydenham to Bankstown Corridor Strategy (the "Corridor Strategy"), indicating support for a change of zoning allowing residential use.



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW (Continued)

### Property Development (Continued)

#### *Property development in Australia going forward (Continued)*

Due to a prolonged transitional period of government reform caused by the parallel State and Federal election and amalgamation of local councils, the revised Draft Plans and the revised Corridor Strategy were only completed and released for public consultations in July 2017. The final Corridor Strategy was reported and endorsed by the Council in May 2018.

Due to the significant size of the Site and the uniqueness of the employment zoning, the Council will require further preparation of a planning proposal and amendments to the Canterbury Local Environmental Plan 2012 (the “LEP”) and Canterbury Development Control Plan 2012 prior to any potential development consent being granted, should that consent be for residential use.

The Group has continued proactively advocating for the rezoning of the Site by actively meeting the Council and the Department. In addition, the Group is exploring the possibilities of alternative development strategies and plans that are permitted within the current zoning in order to speed up the approval process with the assistance of various professional parties.

Given the close proximity of the Site to the Canterbury Public Hospital, and the State government’s announcement of funding for the rejuvenation of that hospital, the Council and the State government have both indicated support for a healthcare use on the Site, which is permissible within the current zoning and achieves the Council’s desire of employment purpose on the Site. The development consent would be expected to be within a 12-month to 18-month time frame after the submission of a development proposal.

In July 2020, after seeking professional advice in Australia, the Group lodged an application to the Council to amend the LEP with a planning proposal for a private hospital (the “Planning Proposal”). The Planning Proposal is in line with the Council’s preference to retain employment purpose along Canterbury Road, where the Site is located. The amendments mainly proposed a significant increase in the height control for the Site from 12 metres to 45.5 metres (revised), which will allow an overall increase in the floor area of the Site.

In December 2021, the Planning Proposal was reviewed by the Council’s Local Planning Panel and be agreed by majority, and be submitted to the Council for approval. In March 2022, the Planning Proposal was presented in the ordinary Council meeting and be permitted to proceed to the Department for further approval.

In June 2022, the Department issued a Gateway Determination to permit (with consent) the Planning Proposal to proceed forward. The Planning Proposal and the amendments to the LEP were approved by the Council. The Group had finalised a voluntary planning agreement (the “VPA”) with the Council regarding the statutory contributions to be made to the Council in connection with development. In May 2023, the VPA was presented and endorsed in the ordinary Council meeting.



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW (Continued)

### Property Development (Continued)

#### *Property development in Australia going forward (Continued)*

The Group continues proactively in discussions with prospective operators for the healthcare and medical facility. The final planning stage will be a state significant development application, which details the design and operation of the healthcare and medical facility. This stage will commence when a preferred operator is secured.

Once the Group has obtained more information from the prospective preferred operator, the board of directors of the Company (the “Board”) will conduct further feasibility study on the Site and consider whether the proposal to transform the use of the Site to healthcare and medical facility will be in the best interests of the Company and its shareholders as a whole. As at the date of this interim report, the Board has not yet decided to transform the Site to healthcare and medical facility.

The Company will make further announcement(s) in relation to the updates of the Site as and when appropriate pursuant to the requirements under the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

### Investment in the Jinjiang Shares

On 25 July 2016, Sable International Limited, an indirect wholly-owned subsidiary of the Company, applied for the subscription of 21,431,000 ordinary shares of Zheneng Jinjiang at an aggregate subscription price of SGD19,287,900 (equivalent to approximately HK\$111,727,000). The quotation of and dealing in the Jinjiang Shares on the Main Board of the Singapore Exchange Securities Trading Limited commenced on 3 August 2016. Details of the subscription are set out in the announcement and the circular of the Company dated 25 July 2016 and 25 October 2016, respectively. As at 30 June 2025, the Group held 1.49% of the total issued ordinary shares of Zheneng Jinjiang (31 December 2024: 1.48%).

The Jinjiang Shares are recorded as financial assets at fair value through other comprehensive income and are measured at fair value at the end of each reporting period. The fair value of the Jinjiang Shares stood at HK\$58,703,000 as at 30 June 2025 (31 December 2024: HK\$52,955,000), accounting for 14% of the Group’s total assets (31 December 2024: 13%). During the period under review, a fair value gain on the investment in the Jinjiang Shares of HK\$5,748,000 was recorded under other comprehensive income in the condensed consolidated statement of profit or loss and other comprehensive income of the Group for the six months ended 30 June 2025 (30 June 2024: HK\$8,987,000), which were due to (i) an exchange gain resulted from a 6% appreciation of Singapore dollars against Hong Kong dollars (30 June 2024: 3% depreciation); and (ii) a 5% increase in the share price of the Jinjiang Shares (30 June 2024: 28%) over the reporting period. The Group received a dividend of HK\$3,000,000 from the Jinjiang Shares for the six months ended 30 June 2025 (30 June 2024: HK\$1,617,000).



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW (Continued)

### Investment in the Jinjiang Shares (Continued)

The Group is optimistic about the prospects of Zheneng Jinjiang, the principal business in the PRC of which includes generation and sales of electricity and steam, operation of waste-to-energy plants and project management, technical consulting and advisory services and energy management contracting business. Having considered the financial performance, business development and prospects of Zheneng Jinjiang, the Group believes that the investment is attractive and will enable the Group to generate sustainable and attractive returns for the shareholders of the Company (the “Shareholders”).

Save as disclosed above, the Group did not make any significant investments or acquisitions during the six months ended 30 June 2025.

## PROSPECTS

Looking ahead, the landscape of global economy remains challenging, in particular, the impacts of heightened geopolitical tensions and new tariff policies. The Group is continuously strengthening its sales force and exploring the possibilities of commodity diversification. In the meantime, the Group will continue to pursue development of its project in Sydney, Australia to enhance the growth prospect of the Group. The Group will also be more alert to risks and keep abreast of the market dynamics to capture business opportunities favourable to the continual development strategy of the Group, with a view to create greater value for the Group and generate return to the Shareholders.

## FINANCIAL REVIEW

### Liquidity and Financial Resources

As at 30 June 2025, the Group had current assets of HK\$323,901,000 (31 December 2024: HK\$304,782,000) comprising bank and cash balances of HK\$75,467,000 (31 December 2024: HK\$76,534,000), and net current assets of HK\$275,335,000 (31 December 2024: HK\$264,182,000). The Group’s current ratio, calculated based on current assets over current liabilities of HK\$48,566,000 (31 December 2024: HK\$40,600,000), maintained at a healthy level of 6.7 times (31 December 2024: 7.5 times) as at the end of the period under review.

As at 30 June 2025, the Group’s equity attributable to owners of the Company was HK\$363,526,000 (31 December 2024: HK\$344,892,000).

The Group’s gearing ratio represented its total borrowings (including lease liabilities) over the sum of equity attributable to owners of the Company and total borrowings of the Group. As at 30 June 2025, the Group had no bank borrowings (31 December 2024: Nil) while had lease liabilities of HK\$4,204,000 (31 December 2024: HK\$127,000), which was denominated in Renminbi with fixed interest rate, and the Group’s equity attributable to owners of the Company amounted to HK\$363,526,000 (31 December 2024: HK\$344,892,000). The Group’s gearing ratio was therefore maintained at a low level of 1.14% as at 30 June 2025 (31 December 2024: 0.04%).



# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW (Continued)

### Liquidity and Financial Resources (Continued)

The Group continues to maintain a prudent approach in managing its financial requirements. In the long run, the Group will continue to finance its operations and future acquisitions, if any, by internal resources and/or external debts and/or by equity financing.

Current ratio and gearing ratio are two financial indicators that the Group focuses on. The Group believes these two measures provide a comprehensive indication of the Group's financial leverage, which have great impact on both the capital structure and stability and performance of the Group.

### Changes in Share Capital

During the period under review, there were no changes in the issued share capital of the Company. As at 30 June 2025, the issued share capital of the Company was HK\$18,159,107.67 divided into 1,815,910,767 shares of HK\$0.01 each.

### Foreign Currency Exposures

During the period under review, the monetary assets and liabilities and business transactions of the Group were mainly carried out and conducted in Hong Kong dollars, Renminbi, United States dollars, Australian dollars and Singapore dollars. The Group's exposure to United States dollars is minimal as Hong Kong dollar is pegged to United States dollar, and the exposure to Renminbi was minimised via balancing the Renminbi monetary assets versus the Renminbi monetary liabilities. Nevertheless, financial performance of the Group may be affected by the fluctuation of Australian dollars and Singapore dollars. Furthermore, as the financial statements of the Group are presented in Hong Kong dollars, which is the Company's functional and presentation currency, the Group will be subject to exchange rate fluctuation on translation of Australian dollars, Singapore dollars and Renminbi into Hong Kong dollars. However, the Group anticipates that future currency fluctuations will not cause material operational difficulties or liquidity problems. The Group did not enter into any arrangements for the purpose of hedging against the potential foreign exchange risks during the period under review.

The Group will monitor closely on its foreign currency exposure to ensure appropriate measures, such as hedging, are taken promptly when required.

### Contingent Liabilities

The Group had no significant contingent liabilities as at 30 June 2025 (31 December 2024: Nil).

### Pledge of Assets

As at 30 June 2025, no assets of the Group were pledged to secure its banking facilities (31 December 2024: Nil).



# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW (Continued)

### Capital Commitments

As at 30 June 2025, the Group had no material capital commitments (31 December 2024: Nil).

### Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, and Future Plans for Material Investments or Capital Assets

Save as disclosed in this interim report, (i) the Group did not have any significant investments held or material acquisitions or disposals of subsidiaries during the period under review; and (ii) no plans have been authorised by the Board for any material investments or additions of capital assets as at the date of this interim report.

## EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had approximately 288 employees (31 December 2024: approximately 205) including the directors of the Company (the “Directors”). Total staff costs for the period under review, including Directors’ remuneration, was HK\$14,246,000 (30 June 2024: HK\$9,303,000). The Group remunerated its employees based on their performance, experience and prevailing market conditions. Benefits plans provided by the Group include provident fund scheme, medical insurance, subsidised training programme and discretionary bonus.

The Group made contributions to the Mandatory Provident Fund Scheme for its employees in Hong Kong. The employees of the Company’s subsidiaries established in the PRC are members of central pension schemes operated by the local municipal governments. The employees of the Australian subsidiaries of the Company received a superannuation guarantee contribution as required by the Australian government.

## ENVIRONMENTAL POLICIES AND PERFORMANCE

Other than financial performance, environmental conservation remains a key focus for the Group. The conscientious use of resources and adoption of best practices across the Group’s businesses underlie its commitment to safeguarding the environment. The Group encourages environmental protection and complies with environmental legislation and promotes awareness towards environmental protection to the employees.

In the course of its daily operations, the Group adheres to the principle of recycling and reducing. It implements green office practices such as double-sided printing and copying, promoting using recycled paper and reducing energy consumption by switching off idle lightings and electrical appliances.



# MANAGEMENT DISCUSSION AND ANALYSIS

## ENVIRONMENTAL POLICIES AND PERFORMANCE (Continued)

Among the principal activities of the Group, which include the business of sale of metals, development and provision of electronic turnkey device solutions and property development in Australia, the Group considers that the business of property development is the most environmentally sensitive. However, as there were no redevelopment and construction conducted during the period under review, the Group considers that the environmental impact was not significant to the Group during the period under review.

The Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the operation of the Group's businesses to enhance environmental sustainability.

## RELATIONSHIP WITH CUSTOMERS AND SUPPLIERS

Relationship and trust are the fundamentals of all businesses. The Group fully recognises this principle and has been maintaining close relationships with its customers to fulfill their immediate and long-term need. Further details in relation to the major customers identified during the period under review are disclosed in the section "Business Review" above.

Meanwhile, the Group promotes fair and open competition that aims to develop long-term relationships with suppliers based on mutual trust. The procurement from suppliers or engagement with service providers is conducted in a manner consistent with the highest ethical standards which helps assuring high products quality at all times to gain the confidence of customers, suppliers and the public.

## IMPORTANT EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no important events affecting the Group which has occurred since the end of the reporting period.

# INDEPENDENT REVIEW REPORT



**中匯**  
**ZHONGHUI**

**TO THE BOARD OF DIRECTORS OF  
SHUOAO INTERNATIONAL HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*

## INTRODUCTION

We have reviewed the interim financial report set out on pages 12 to 27 which comprises the condensed consolidated statement of financial position of Shuoao International Holdings Limited as at 30 June 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the interim financial information. 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 this interim financial report in accordance with Hong Kong Accounting Standard 34. Our responsibility is to express a conclusion on this interim financial report based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

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

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34.

**ZHONGHUI ANDA CPA Limited**

*Certified Public Accountants*

**Sze Lin Tang**

*Practising Certificate Number P03614*

Hong Kong, 27 August 2025

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS – UNAUDITED

For the six months ended 30 June 2025

|                                   |      | Six months ended 30 June |                  |
|-----------------------------------|------|--------------------------|------------------|
|                                   | Note | 2025<br>HK\$'000         | 2024<br>HK\$'000 |
| <b>Revenue</b>                    | 4    | <b>77,209</b>            | 66,207           |
| Cost of sales                     |      | <b>(69,757)</b>          | (59,531)         |
| Gross profit                      |      | <b>7,452</b>             | 6,676            |
| Other income                      | 5(a) | <b>5,396</b>             | 3,468            |
| Other net gain/(loss)             |      | <b>1,310</b>             | (369)            |
| Selling and distribution expenses |      | <b>(1,248)</b>           | (866)            |
| Administrative and other expenses |      | <b>(13,035)</b>          | (9,610)          |
| <b>Loss from operations</b>       |      | <b>(125)</b>             | (701)            |
| Finance costs                     | 5(b) | <b>(49)</b>              | (27)             |
| <b>Loss before taxation</b>       | 5    | <b>(174)</b>             | (728)            |
| Income tax credit/(expense)       | 6    | <b>38</b>                | (38)             |
| <b>Loss for the period</b>        |      | <b>(136)</b>             | (766)            |
| <b>Attributable to:</b>           |      |                          |                  |
| Owners of the Company             |      | <b>(202)</b>             | (2,036)          |
| Non-controlling interests         |      | <b>66</b>                | 1,270            |
| <b>Loss for the period</b>        |      | <b>(136)</b>             | (766)            |
| <b>Loss per share</b>             | 7    |                          |                  |
| Basic (HK cent per share)         |      | <b>(0.01)</b>            | (0.11)           |
| Diluted (HK cent per share)       |      | <b>(0.01)</b>            | (0.11)           |

The accompanying notes form an integral part of this interim financial report.

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

For the six months ended 30 June 2025

|                                                                                        | Six months ended 30 June |                  |
|----------------------------------------------------------------------------------------|--------------------------|------------------|
|                                                                                        | 2025<br>HK\$'000         | 2024<br>HK\$'000 |
| <b>Loss for the period</b>                                                             | <b>(136)</b>             | <b>(766)</b>     |
| <b>Other comprehensive income for the period, net of tax:</b>                          |                          |                  |
| <i>Item that will not be reclassified to profit or loss:</i>                           |                          |                  |
| Fair value change on financial assets at fair value through other comprehensive income | <b>5,748</b>             | 8,987            |
| <i>Item that may be reclassified subsequently to profit or loss:</i>                   |                          |                  |
| Exchange differences on translating foreign operations                                 | <b>13,368</b>            | (4,511)          |
| <b>Other comprehensive income for the period</b>                                       | <b>19,116</b>            | 4,476            |
| <b>Total comprehensive income for the period</b>                                       | <b>18,980</b>            | 3,710            |
| <b>Attributable to:</b>                                                                |                          |                  |
| Owners of the Company                                                                  | <b>18,634</b>            | 2,623            |
| Non-controlling interests                                                              | <b>346</b>               | 1,087            |
| <b>Total comprehensive income for the period</b>                                       | <b>18,980</b>            | 3,710            |

The accompanying notes form an integral part of this interim financial report.

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## – UNAUDITED

As at 30 June 2025

|                                                                      | Note  | As at<br>30 June<br>2025<br>HK\$'000 | As at<br>31 December<br>2024<br>HK\$'000<br>(Audited) |
|----------------------------------------------------------------------|-------|--------------------------------------|-------------------------------------------------------|
| <b>Non-current assets</b>                                            |       |                                      |                                                       |
| Property, plant and equipment                                        |       | 27,211                               | 27,248                                                |
| Right-of-use assets                                                  |       | 4,188                                | 117                                                   |
| Financial assets at fair value through other<br>comprehensive income | 8     | 58,703                               | 52,955                                                |
| Deferred tax assets                                                  |       | 10,517                               | 9,853                                                 |
|                                                                      |       | <b>100,619</b>                       | <b>90,173</b>                                         |
| <b>Current assets</b>                                                |       |                                      |                                                       |
| Inventories                                                          |       | 13,112                               | 9,336                                                 |
| Properties for sale under development                                | 9     | 199,764                              | 185,911                                               |
| Trade and bill receivables                                           | 10    | 33,682                               | 32,004                                                |
| Prepayments, deposits and other receivables                          |       | 1,743                                | 997                                                   |
| Current tax assets                                                   |       | 133                                  | –                                                     |
| Bank and cash balances                                               |       | 75,467                               | 76,534                                                |
|                                                                      |       | <b>323,901</b>                       | <b>304,782</b>                                        |
| <b>Current liabilities</b>                                           |       |                                      |                                                       |
| Trade payables                                                       | 11    | 30,699                               | 25,903                                                |
| Accruals, other payables and deposits received                       |       | 16,282                               | 14,570                                                |
| Lease liabilities                                                    |       | 1,585                                | 127                                                   |
|                                                                      |       | <b>48,566</b>                        | <b>40,600</b>                                         |
| <b>Net current assets</b>                                            |       | <b>275,335</b>                       | <b>264,182</b>                                        |
| <b>Total assets less current liabilities</b>                         |       | <b>375,954</b>                       | <b>354,355</b>                                        |
| <b>Non-current liabilities</b>                                       |       |                                      |                                                       |
| Lease liabilities                                                    |       | 2,619                                | –                                                     |
| <b>NET ASSETS</b>                                                    |       | <b>373,335</b>                       | <b>354,355</b>                                        |
| <b>Capital and reserves</b>                                          |       |                                      |                                                       |
| Share capital                                                        | 12(b) | 18,159                               | 18,159                                                |
| Reserves                                                             |       | 345,367                              | 326,733                                               |
| Equity attributable to owners of the Company                         |       | 363,526                              | 344,892                                               |
| Non-controlling interests                                            |       | 9,809                                | 9,463                                                 |
| <b>TOTAL EQUITY</b>                                                  |       | <b>373,335</b>                       | <b>354,355</b>                                        |

The accompanying notes form an integral part of this interim financial report.

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

For the six months ended 30 June 2025

|                                                      | Attributable to owners of the Company |               |                                      |                   |                                      |                    |           | Non-controlling interests | Total equity |
|------------------------------------------------------|---------------------------------------|---------------|--------------------------------------|-------------------|--------------------------------------|--------------------|-----------|---------------------------|--------------|
|                                                      | Share capital                         | Share premium | Financial assets revaluation reserve | Statutory reserve | Foreign currency translation reserve | Accumulated losses | Sub-total |                           |              |
|                                                      | HK\$'000                              | HK\$'000      | HK\$'000                             | HK\$'000          | HK\$'000                             | HK\$'000           | HK\$'000  | HK\$'000                  | HK\$'000     |
| At 1 January 2024                                    | 18,159                                | 563,419       | (76,690)                             | 89                | (17,563)                             | (130,744)          | 356,670   | 6,872                     | 363,542      |
| Total comprehensive income/(expenses) for the period | -                                     | -             | 8,987                                | -                 | (4,328)                              | (2,036)            | 2,623     | 1,087                     | 3,710        |
| At 30 June 2024                                      | 18,159                                | 563,419       | (67,703)                             | 89                | (21,891)                             | (132,780)          | 359,293   | 7,959                     | 367,252      |
| At 1 July 2024                                       | 18,159                                | 563,419       | (67,703)                             | 89                | (21,891)                             | (132,780)          | 359,293   | 7,959                     | 367,252      |
| Total comprehensive income/(expenses) for the period | -                                     | -             | 7,091                                | -                 | (15,403)                             | (6,089)            | (14,401)  | 1,504                     | (12,897)     |
| At 31 December 2024 (audited)                        | 18,159                                | 563,419       | (60,612)                             | 89                | (37,294)                             | (138,869)          | 344,892   | 9,463                     | 354,355      |
| At 1 January 2025                                    | 18,159                                | 563,419       | (60,612)                             | 89                | (37,294)                             | (138,869)          | 344,892   | 9,463                     | 354,355      |
| Total comprehensive income/(expenses) for the period | -                                     | -             | 5,748                                | -                 | 13,088                               | (202)              | 18,634    | 346                       | 18,980       |
| At 30 June 2025                                      | 18,159                                | 563,419       | (54,864)                             | 89                | (24,206)                             | (139,071)          | 363,526   | 9,809                     | 373,335      |

The accompanying notes form an integral part of this interim financial report.

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## – UNAUDITED

For the six months ended 30 June 2025

|                                                                                          | Six months ended 30 June |                  |
|------------------------------------------------------------------------------------------|--------------------------|------------------|
|                                                                                          | 2025<br>HK\$'000         | 2024<br>HK\$'000 |
| <b>Cash flows from operating activities</b>                                              |                          |                  |
| Cash used in operations                                                                  | (4,017)                  | (3,223)          |
| Overseas tax paid                                                                        | (91)                     | (38)             |
| <b>Net cash used in operating activities</b>                                             | <b>(4,108)</b>           | <b>(3,261)</b>   |
| <b>Cash flows from investing activities</b>                                              |                          |                  |
| Purchase of property, plant and equipment                                                | (659)                    | –                |
| Dividend received from financial assets at fair value through other comprehensive income | 3,000                    | 1,617            |
| Other cash flows arising from investing activities                                       | 67                       | 184              |
| <b>Net cash generated from investing activities</b>                                      | <b>2,408</b>             | <b>1,801</b>     |
| <b>Cash flows from financing activities</b>                                              |                          |                  |
| <b>Net cash used in financing activities</b>                                             | <b>(824)</b>             | <b>(782)</b>     |
| <b>Net decrease in cash and cash equivalents</b>                                         | <b>(2,524)</b>           | <b>(2,242)</b>   |
| Cash and cash equivalents at the beginning of the period                                 | 76,534                   | 82,145           |
| Effect of foreign exchange rates changes                                                 | 1,457                    | (329)            |
| <b>Cash and cash equivalents at the end of the period</b>                                | <b>75,467</b>            | <b>79,574</b>    |
| <b>Analysis of cash and cash equivalents</b>                                             |                          |                  |
| Bank and cash balances                                                                   | 75,467                   | 79,574           |

The accompanying notes form an integral part of this interim financial report.

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 1. BASIS OF PREPARATION

The interim financial report has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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 Shuoao International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) since the annual audited financial statements for the year ended 31 December 2024. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report should be read in conjunction with the annual audited financial statements for the year ended 31 December 2024. The accounting policies and methods of computation used in the preparation of the interim financial report are consistent with those used in the annual audited financial statements for the year ended 31 December 2024.

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.

The interim financial report is unaudited, but has been reviewed by ZHONGHUI ANDA CPA Limited (“ZHONGHUI ANDA”) 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. ZHONGHUI ANDA’s independent review report to the board of directors of the Company (the “Board”) is included on page 11.

The interim financial report has been prepared under the historical cost convention, as modified by certain financial instruments which are carried at their fair values, and is presented in Hong Kong dollars which is the functional currency of the Company.

## 2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in the interim financial report. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“HKFRSs”), HKASs and Interpretations.

The Group has not applied any new HKFRS Accounting Standards that is not yet effective for the current accounting period. The directors of the Company (the “Directors”) anticipated that the application of these new HKFRS Accounting Standards will have no material impact on the interim financial report.

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 3. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date

Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 inputs: unobservable inputs for the asset or liability

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

### Disclosures of level in fair value hierarchy:

|                                                                    | Fair value measurements using: |          |          |               |
|--------------------------------------------------------------------|--------------------------------|----------|----------|---------------|
|                                                                    | Level 1                        | Level 2  | Level 3  | Total         |
|                                                                    | inputs                         | inputs   | inputs   |               |
|                                                                    | HK\$'000                       | HK\$'000 | HK\$'000 | HK\$'000      |
| <b>At 30 June 2025</b>                                             |                                |          |          |               |
| Financial assets at fair value through other comprehensive income: |                                |          |          |               |
| – Listed securities in Singapore                                   | <b>58,703</b>                  | –        | –        | <b>58,703</b> |
| <b>At 31 December 2024 (audited)</b>                               |                                |          |          |               |
| Financial assets at fair value through other comprehensive income: |                                |          |          |               |
| – Listed securities in Singapore                                   | 52,955                         | –        | –        | 52,955        |

The carrying amounts of the Group's financial assets and financial liabilities carried at cost or amortised cost as reflected in the condensed consolidated statement of financial position approximate to their respective fair values.

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 4. REVENUE AND SEGMENT REPORTING

The Group has three operating and reportable segments as follows:

- Sale of metals
- Development and provision of electronic turnkey device solutions
- Property development

The accounting policies of the operating segments are the same as those adopted in the annual audited financial statements of the Company for the year ended 31 December 2024. Segment profit or loss do not include intercompanies income and expenses, unallocated corporate other income, unallocated corporate other net gain or loss, unallocated corporate expenses, finance costs and income tax expense or credit. Segment assets do not include intercompanies assets and unallocated corporate assets. Segment liabilities do not include intercompanies liabilities and unallocated corporate liabilities. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and performance assessment.

### (a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or services and geographical location of customers is as follows:

|                                                                           | Six months ended 30 June |                  |
|---------------------------------------------------------------------------|--------------------------|------------------|
|                                                                           | 2025<br>HK\$'000         | 2024<br>HK\$'000 |
| <b>Revenue from contracts with customers within the scope of HKFRS 15</b> |                          |                  |
| Disaggregated by major products or services                               |                          |                  |
| – Sale of metals                                                          | 29,576                   | 23,077           |
| – Development and provision of electronic turnkey device solutions        | 47,633                   | 43,130           |
|                                                                           | <b>77,209</b>            | <b>66,207</b>    |
| Disaggregated by geographical location of customers                       |                          |                  |
| – The People's Republic of China except Hong Kong                         | 47,633                   | 43,130           |
| – Hong Kong                                                               | 29,576                   | –                |
| – Singapore                                                               | –                        | 23,077           |
|                                                                           | <b>77,209</b>            | <b>66,207</b>    |

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 4. REVENUE AND SEGMENT REPORTING (Continued)

### (b) Information about reportable segment revenue, profit or loss, assets and liabilities

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 chief operating decision maker for the purposes of resources allocation and assessment of segment performance for the period is set out below.

|                                                                                      | Sale of metals<br>Six months<br>ended 30 June |                                                       | Development and<br>provision of electronic<br>turnkey device solutions<br>Six months<br>ended 30 June |                                                       | Property<br>development<br>Six months<br>ended 30 June |                                                       | Total<br>Six months<br>ended 30 June |                                                       |
|--------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------|--------------------------------------|-------------------------------------------------------|
|                                                                                      | 2025<br>HK\$'000                              | 2024<br>HK\$'000                                      | 2025<br>HK\$'000                                                                                      | 2024<br>HK\$'000                                      | 2025<br>HK\$'000                                       | 2024<br>HK\$'000                                      | 2025<br>HK\$'000                     | 2024<br>HK\$'000                                      |
| <b>Disaggregated by<br/>timing of revenue<br/>recognition</b>                        |                                               |                                                       |                                                                                                       |                                                       |                                                        |                                                       |                                      |                                                       |
| Point in time                                                                        | 29,576                                        | 23,077                                                | 47,633                                                                                                | 43,130                                                | -                                                      | -                                                     | 77,209                               | 66,207                                                |
| Revenue from external<br>customers                                                   | 29,576                                        | 23,077                                                | 47,633                                                                                                | 43,130                                                | -                                                      | -                                                     | 77,209                               | 66,207                                                |
| Segment profit/(loss)<br>before finance costs<br>and income tax credit/<br>(expense) | 1,274                                         | (253)                                                 | 145                                                                                                   | 2,616                                                 | 299                                                    | (640)                                                 | 1,718                                | 1,723                                                 |
|                                                                                      | As at<br>30 June<br>2025<br>HK\$'000          | As at<br>31 December<br>2024<br>HK\$'000<br>(Audited) | As at<br>30 June<br>2025<br>HK\$'000                                                                  | As at<br>31 December<br>2024<br>HK\$'000<br>(Audited) | As at<br>30 June<br>2025<br>HK\$'000                   | As at<br>31 December<br>2024<br>HK\$'000<br>(Audited) | As at<br>30 June<br>2025<br>HK\$'000 | As at<br>31 December<br>2024<br>HK\$'000<br>(Audited) |
| Segment assets                                                                       | 70,367                                        | 70,722                                                | 60,621                                                                                                | 50,654                                                | 210,981                                                | 196,513                                               | 341,969                              | 317,889                                               |
| Segment liabilities                                                                  | 109                                           | 109                                                   | 40,921                                                                                                | 31,649                                                | 8,939                                                  | 7,703                                                 | 49,969                               | 39,461                                                |

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 4. REVENUE AND SEGMENT REPORTING (Continued)

### (c) Reconciliation of reportable segment profit or loss

|                                             | Six months ended 30 June |                  |
|---------------------------------------------|--------------------------|------------------|
|                                             | 2025<br>HK\$'000         | 2024<br>HK\$'000 |
| Total profit of reportable segments         | 1,718                    | 1,723            |
| Unallocated amounts:                        |                          |                  |
| Unallocated corporate other income          | 3,001                    | 1,620            |
| Unallocated corporate other net (loss)/gain | (21)                     | 23               |
| Unallocated corporate expenses              | (4,823)                  | (4,067)          |
| Finance costs                               | (49)                     | (27)             |
| Loss before taxation                        | (174)                    | (728)            |

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 5. LOSS BEFORE TAXATION

The Group's loss before taxation for the period is arrived at after charging/(crediting):

|                                                                                                                                          | Six months ended 30 June |                  |
|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------|
|                                                                                                                                          | 2025<br>HK\$'000         | 2024<br>HK\$'000 |
| <b>(a) Other income</b>                                                                                                                  |                          |                  |
| Bank interest income                                                                                                                     | 51                       | 184              |
| Dividend income from financial assets at fair value through other comprehensive income – investments held at the end of reporting period | 3,000                    | 1,617            |
| Government grants                                                                                                                        | –                        | 2                |
| Rental income                                                                                                                            | 771                      | 696              |
| Sundry income                                                                                                                            | 1,574                    | 969              |
|                                                                                                                                          | <b>5,396</b>             | <b>3,468</b>     |
| <b>(b) Finance costs</b>                                                                                                                 |                          |                  |
| Interest on lease liabilities                                                                                                            | 49                       | 27               |
| <b>(c) Staff costs (including Directors' remuneration)</b>                                                                               |                          |                  |
| Salaries, bonus and allowances                                                                                                           | 13,599                   | 8,891            |
| Retirement benefits scheme contributions                                                                                                 | 647                      | 412              |
|                                                                                                                                          | <b>14,246</b>            | <b>9,303</b>     |
| <b>(d) Other items</b>                                                                                                                   |                          |                  |
| Cost of inventories sold                                                                                                                 | 70,478                   | 59,527           |
| Net foreign exchange (gain)/loss                                                                                                         | (1,309)                  | 369              |
| Depreciation of property, plant and equipment                                                                                            | 858                      | 893              |
| Depreciation of right-of-use assets                                                                                                      | 781                      | 719              |
| Impairment loss on trade and bill receivables                                                                                            | 2,203                    | 480              |
| Reversal of impairment loss on other receivables                                                                                         | (213)                    | (9)              |
| (Reversal of write-down)/write-down of inventories                                                                                       | (721)                    | 4                |
| Research and development costs                                                                                                           | 1,918                    | 2,250            |
| Expenses relating to short-term leases                                                                                                   | –                        | 154              |
| Expenses relating to leases of low-value assets that are not short-term leases                                                           | 7                        | 7                |

Cost of inventories sold included staff costs, depreciation and short-term lease expenses totalling approximately HK\$8,894,000 (six months ended 30 June 2024: approximately HK\$5,056,000), while research and development costs included staff costs and depreciation totalling approximately HK\$1,749,000 (six months ended 30 June 2024: approximately HK\$1,704,000), which are included in the amounts disclosed separately above.

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 6. INCOME TAX (CREDIT)/EXPENSE

|                                 | Six months ended 30 June |                  |
|---------------------------------|--------------------------|------------------|
|                                 | 2025<br>HK\$'000         | 2024<br>HK\$'000 |
| <b>Current tax – Overseas</b>   |                          |                  |
| Provision for the period        | –                        | 38               |
| Over-provision in prior periods | (38)                     | –                |
|                                 | <b>(38)</b>              | <b>38</b>        |

No provision for Hong Kong Profits Tax had been made for the six months ended 30 June 2025 and 2024 as the Group sustained a loss for taxation purpose during the periods.

No provision for overseas tax had been made for the six months ended 30 June 2025 as the Group did not have any assessable profits arising outside Hong Kong during the period. Taxation for overseas subsidiaries for the six months ended 30 June 2024 was charged at the appropriate current rates of taxation ruling in the relevant countries.

## 7. LOSS PER SHARE

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

|                                                                                                            | Six months ended 30 June |                  |
|------------------------------------------------------------------------------------------------------------|--------------------------|------------------|
|                                                                                                            | 2025<br>HK\$'000         | 2024<br>HK\$'000 |
| <b>Loss:</b>                                                                                               |                          |                  |
| Loss for the purpose of calculating basic and diluted loss per share attributable to owners of the Company | (202)                    | (2,036)          |
|                                                                                                            | <b>(202)</b>             | <b>(2,036)</b>   |
|                                                                                                            | Six months ended 30 June |                  |
|                                                                                                            | 2025<br>'000             | 2024<br>'000     |
| <b>Number of shares:</b>                                                                                   |                          |                  |
| Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share | 1,815,911                | 1,815,911        |

The basic and diluted loss per share for the six months ended 30 June 2025 and 2024 were the same as the Company had no dilutive potential ordinary shares in issue during the periods.

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

|                                         | As at<br>30 June<br>2025<br>HK\$'000 | As at<br>31 December<br>2024<br>HK\$'000<br>(Audited) |
|-----------------------------------------|--------------------------------------|-------------------------------------------------------|
| <b>Equity securities, at fair value</b> |                                      |                                                       |
| Listed in Singapore                     | <b>58,703</b>                        | 52,955                                                |

The investment represents the 1.49% (31 December 2024: 1.48%) equity interest in Zheneng Jinjiang Environment Holding Company Limited ( 浙能錦江環境控股有限公司 ), a company listed on the Main Board of the Singapore Exchange Securities Trading Limited.

The fair value of listed securities are based on current bid prices.

## 9. PROPERTIES FOR SALE UNDER DEVELOPMENT

Movements of properties for sale under development are as follows:

|                                                  | HK\$'000       |
|--------------------------------------------------|----------------|
| At 1 January 2024                                | 203,800        |
| Additions                                        | 1,226          |
| Exchange differences                             | (19,115)       |
| At 31 December 2024 (audited) and 1 January 2025 | <b>185,911</b> |
| Additions                                        | <b>1,277</b>   |
| Exchange differences                             | <b>12,576</b>  |
| <b>At 30 June 2025</b>                           | <b>199,764</b> |

As at 30 June 2025, the properties for sale under development included the payment for the land and the related professional and governmental fees in relation to the acquisition of a piece of land in Australia which was approved by the shareholders of the Company on 10 February 2015 (details of the agreement are set out in the circular of the Company dated 24 January 2015). The amounts were not expected to be recovered within twelve months from the end of the reporting period. They were included in the Group's current assets in the condensed consolidated statement of financial position as it is expected that the properties will be realised in the Group's normal operating cycle for properties development.

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 10. TRADE AND BILL RECEIVABLES

The Group's trading terms with its customers of the business of development and provision of electronic turnkey device solutions are mainly on credit. The credit terms generally range from 10 days to 90 days. Each customer has a maximum credit limit. For the business of sale of metals, payment in advance is generally required. The Group seeks to maintain strict control over its outstanding receivables in order to minimise credit risk. Overdue balances are reviewed regularly by the senior management. All trade and bill receivables are expected to be recovered or recognised within one year.

The ageing analysis of trade and bill receivables, based on the invoice date, and net of allowance, is as follows:

|                     | <b>As at<br/>30 June<br/>2025<br/>HK\$'000</b> | <b>As at<br/>31 December<br/>2024<br/>HK\$'000<br/>(Audited)</b> |
|---------------------|------------------------------------------------|------------------------------------------------------------------|
| 30 days or less     | <b>25,878</b>                                  | 21,064                                                           |
| 31 days to 60 days  | <b>4,181</b>                                   | 5,576                                                            |
| 61 days to 90 days  | <b>3,029</b>                                   | 2,376                                                            |
| 91 days to 120 days | <b>592</b>                                     | 1,934                                                            |
| Over 120 days       | <b>2</b>                                       | 1,054                                                            |
|                     | <b>33,682</b>                                  | 32,004                                                           |

The balance of trade and bill receivables included an amount of approximately HK\$829,000 (31 December 2024: approximately HK\$808,000) in relation to bill receivables as at 30 June 2025.

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 11. TRADE PAYABLES

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

|                     | <b>As at<br/>30 June<br/>2025<br/>HK\$'000</b> | <b>As at<br/>31 December<br/>2024<br/>HK\$'000<br/>(Audited)</b> |
|---------------------|------------------------------------------------|------------------------------------------------------------------|
| 30 days or less     | <b>16,191</b>                                  | 13,473                                                           |
| 31 days to 60 days  | <b>6,702</b>                                   | 5,341                                                            |
| 61 days to 90 days  | <b>5,072</b>                                   | 3,080                                                            |
| 91 days to 120 days | <b>1,090</b>                                   | 1,762                                                            |
| Over 120 days       | <b>1,644</b>                                   | 2,247                                                            |
|                     | <b>30,699</b>                                  | 25,903                                                           |

## 12. DIVIDENDS AND SHARE CAPITAL

### (a) Dividends

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

### (b) Share capital

|                                                                          | <b>As at<br/>30 June<br/>2025<br/>HK\$'000</b> | <b>As at<br/>31 December<br/>2024<br/>HK\$'000<br/>(Audited)</b> |
|--------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------|
| Authorised:<br>10,000,000,000 ordinary shares of HK\$0.01 each           | <b>100,000</b>                                 | 100,000                                                          |
| Issued and fully paid:<br>1,815,910,767 ordinary shares of HK\$0.01 each | <b>18,159</b>                                  | 18,159                                                           |

# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

## 13. CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any significant contingent liabilities (31 December 2024: Nil).

## 14. RELATED PARTY TRANSACTIONS

The related party transactions of the Group during the period are as follows:

|                                          | Six months ended 30 June |                  |
|------------------------------------------|--------------------------|------------------|
|                                          | 2025<br>HK\$'000         | 2024<br>HK\$'000 |
| Compensation of key management personnel |                          |                  |
| Short-term benefits                      | 885                      | 885              |
| Post-employment benefits                 | 23                       | 23               |
|                                          | <b>908</b>               | 908              |

## 15. EVENTS AFTER THE REPORTING PERIOD

There are no significant events happened after the end of the reporting period.

## 16. APPROVAL OF THE UNAUDITED INTERIM FINANCIAL REPORT

The unaudited interim financial report are approved and authorised for issue by the Board on 27 August 2025.



## OTHER INFORMATION

### INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" above, at no time during the six months ended 30 June 2025 was the Company or any of its 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, and none of the Directors or their respective spouses or minor children had any rights to subscribe for the securities of the Company, or had exercised any such rights during the period.

## OTHER INFORMATION

### INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 30 June 2025, the following interests of more than 5% of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

#### Long Positions in the Shares:

| Name of Shareholders         | Capacity and nature of interests   | Number of ordinary shares | Approximate percentage of the Company's issued share capital |
|------------------------------|------------------------------------|---------------------------|--------------------------------------------------------------|
| Mr. Feng Hailiang<br>(馮海良先生) | Interest of controlled corporation | 1,207,207,299<br>(Note)   | 66.48%                                                       |
| Ningbo Zhetao                | Interest of controlled corporation | 1,207,207,299<br>(Note)   | 66.48%                                                       |
| Hailiang Group               | Interest of controlled corporation | 1,207,207,299<br>(Note)   | 66.48%                                                       |
| Rich Pro                     | Beneficial owner                   | 1,207,207,299<br>(Note)   | 66.48%                                                       |

*Note:* These shares were held by Rich Pro Investments Limited ("Rich Pro"), a wholly-owned subsidiary of Hailiang Group Co., Ltd.<sup>#</sup> (海亮集團有限公司) ("Hailiang Group"). Approximately 93.13% of the shares in Hailiang Group is owned by Mr. Feng Hailiang (馮海良先生) and his associates (as defined in the Listing Rules) (including Ningbo Zhetao Investment Holdings Limited<sup>#</sup> (寧波哲韜投資控股有限公司) ("Ningbo Zhetao"), which owned 38.05% equity interests in Hailiang Group). Accordingly, each of Mr. Feng Hailiang (馮海良先生), Ningbo Zhetao and Hailiang Group is deemed to be interested in 1,207,207,299 shares under the SFO.

<sup>#</sup> *literal translation of the Chinese company name*

The interests of Mr. Feng Hailiang (馮海良先生), Ningbo Zhetao, Hailiang Group and Rich Pro in 1,207,207,299 shares referred to in the note above related to the same parcel of shares.

Save as disclosed above, as at 30 June 2025, the Company had not been notified of any other relevant interests or short positions in the shares and underlying shares of the Company as required pursuant to Section 336 of the SFO.



## OTHER INFORMATION

### CORPORATE GOVERNANCE

During the six months ended 30 June 2025, in the opinion of the Board, the Company has complied with all the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Listing Rules, except for the following deviation with the reason as explained below:

#### CODE PROVISION F.1.3 OF PART 2 OF THE CG CODE

Code Provision F.1.3 of Part 2 of the CG Code stipulates that the chairman of the board should attend the annual general meeting. Mr. Cao Jianguo (曹建國先生), the chairman of the Board, was unable to attend the annual general meeting held on 20 June 2025 (“2025 AGM”) due to other engagement. Dr. Jin Xiaozheng (金曉錚博士), an Executive Director, was appointed to chair the 2025 AGM.

The Company regrets the Chairman’s absence and wishes to reassure Shareholders that he remains fully committed to the long-term success and strategic direction of the Company. The Chairman will make every effort to attend all future annual general meetings of the Company.

#### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries with all the Directors, all of them confirmed that they have complied with the required standards as set out in the Model Code during the six months ended 30 June 2025.

#### CHANGES IN DIRECTORS’ BIOGRAPHICAL DETAILS

Upon specific enquiry by the Company and based on the confirmations from the Directors, there has been no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company’s last published annual report.

#### AUDIT COMMITTEE

The interim financial report of the Company for the six months ended 30 June 2025 is unaudited but has been reviewed by the Company’s auditor, ZHONGHUI ANDA CPA Limited, and audit committee (the “Audit Committee”), and has been duly approved by the Board under the recommendation of the Audit Committee.

#### 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 had purchased, sold or redeemed any of the Company’s listed securities (including sales of treasury shares (the “Treasury Shares”) within the meaning under the Listing Rules). As at 30 June 2025, the Company did not hold any Treasury Shares.

On behalf of the Board

**Cao Jianguo 曹建國**  
*Chairman*

Hong Kong, 27 August 2025