

Stock Code : 726



A LEADING INTEGRATED SERVICE PROVIDER IN SMART BUILDING

DIT Group Limited
(Incorporated in Bermuda with limited liability)

INTERIM REPORT 2025





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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. HE Yuanqing
(appointed on 3 September 2025)

Ms. HU Liping
(appointed on 3 September 2025)

Mr. GUO Weiqiang
(Chairman and Chief Executive Officer)
(resigned on 3 September 2025)

Ms. WANG Jing
(passed away on 19 January 2025)

Ms. WANG Yuping
(appointed on 10 March 2025)
and resigned on 3 September 2025)

Non-executive Directors

Mr. WANG Jun

Mr. GUO Jianfeng

Independent Non-executive Directors

Mr. JIANG Hongqing

Mr. LEE Chi Ming

Mr. MA Lishan

Board Committees

Audit Committee

Mr. LEE Chi Ming *(Chairman)*

Mr. JIANG Hongqing

Mr. MA Lishan

Nomination Committee

Ms. HU Liping *(Chairman)*
(appointed on 3 September 2025)

Mr. GUO Weiqiang
(resigned on 2 July 2025)

Ms. WANG Yuping *(Chairman)*
(appointed on 2 July 2025 and
resigned on 3 September 2025)

Mr. JIANG Hongqing

Mr. LEE Chi Ming

Remuneration Committee

Mr. JIANG Hongqing *(Chairman)*

Mr. HE Yuanqing
(appointed on 3 September 2025)

Mr. GUO Weiqiang
(resigned on 3 September 2025)

Mr. LEE Chi Ming

Company Secretary

Mr. TSANG Ho Pong

Authorised Representatives

Mr. HE Yuanqing
(appointed on 3 September 2025)

Mr. GUO Weiqiang
(resigned on 3 September 2025)

Mr. TSANG Ho Pong

Registered Office

Victoria Place, 5th Floor, 31 Victoria Street
Hamilton HM 10, Bermuda

Principal Place of Business in the PRC

Block E, Jianye Headquarters
Junction of Nongye East Road
and Ruyi West Road
Zhengdong New District, Zhengzhou City
Henan Province, the PRC

Head office and Principal Place of Business in Hong Kong

Units 1602–1605, 16/F
Tower 2, The Gateway
Harbour City, 25 Canton Road
Tsim Sha Tsui, Kowloon, Hong Kong

Independent Auditor

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor



CORPORATE INFORMATION *(Continued)*

Principal Banker

The Hongkong and Shanghai Banking
Corporation Limited
The Bank of China Limited

Principal Share Registrar and Transfer Office

Appleby Global Corporate Services (Bermuda)
Limited
Canon's Court
22 Victoria Street
PO Box HM 1179
Hamilton HM EX
Bermuda

Hong Kong Share Registrar and Transfer Office

Computershare Hong Kong Investor Services
Limited
Shops 1712–1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Stock Code

The Stock Exchange of Hong Kong Limited
(the "Stock Exchange"): 00726

Website

<http://dit.aconnect.com.hk>

Shareholders' Information

Share listing

The Company's shares are listed on the Main
Board of the Stock Exchange of Hong Kong
Limited

Ordinary Share (as at 30 June 2025)

Shares outstanding: 3,101,095,730 shares
Nominal value: HK\$0.40 per share



CORPORATE PROFILE

DIT Group Limited (hereinafter referred to as “the Company”, together with its subsidiaries, collectively, “the Group”) (stock code: 726HK) is listed on the Main Board of the Stock Exchange of Hong Kong Limited.

The Group positions itself as a leading service provider of comprehensive and integrated solutions to intelligent buildings as well as an innovative high-tech enterprise engaging in the ecological chain construction of intelligent buildings and we are the first listed company in the prefabricated construction industry. The Group is mainly engaged in the business of modernization of construction industry and prefabricated construction business encompassing a wide coverage ranging from the research and development as well as operation of prefabricated construction technology, the expansion and operation of intelligent prefabricated construction plants to the manufacture of precast components for prefabricated construction.

The key mission of the Group lies in the provision of both green buildings and the comprehensive solutions to urban households whereas the Group is dedicated to the strategic business layout in the geographical locations nationwide with seizure of the advantages of industrialization of the construction industry in China during the golden era of ten years to achieve such industrialization, informationalization and technologicalization of the construction industry with the leverage of technology collaborations among various parties so as to elicit the unprecedented huge transformation of the traditional construction industry in China with such a shift from the mode of “building conventions” to that of “precast components + on-the site prefabrication”.

The core values of the Group of “the establishment of our business with sophistication and delicacy in our products based on the justified conscientiousness and consciousness of the far-reaching expansion of our business with our mutual respect for any contribution and input for a shared experience in growth of our business prosperity” together with our unwavering motto “to create a promising life with intelligence” facilitate the upgrade and transformation with modernization of the construction industry. With our commitment to the creation of the largest modernized operating platform of the construction industry in China, we strive to give shape to the new construction industry which is environmentally friendly, highly efficient and at top quality by the process of informationalization with the seamless combination of technology and building. The Group, with its business location layout which is strategized to the smart digitalized plants across various provinces and municipalities directly administered by the central government in China, is the enterprise equipped with the most smart production lines. With the integration of the world’s first business mode of Engineering, Manufacture, Procurement, and Construction (“EMPC”) as exclusively innovated by its parent company, the Company’s technology and its products receive a great variety of approvals from the communities and the clients.



CORPORATE PROFILE *(Continued)*

With the consistent adherence persevered by the Group to its development strategy of “Top Priority for Leading Edge of Technology”, the Group is equipped with the six most advanced core technology systems specific to the industry of prefabrication construction in the world with the Group’s possession of a plenitude of core technologies ranging from Building Information Modeling (“BIM”) in the context of intelligent building construction, the Internet of Things, Big Data, artificial intelligence, RIFF system to fast delivery system. The number of the Company’s patents has been continuously securing top-ranked in the prefabricated construction industry. The Company’s scientific research institutes include the one and the only one research centre at provincial level for the engineering projects specific to the industry as well as the scientific research platforms such as the demonstration enterprise models of intelligent manufacturing and the production bases for the national-level prefabricated construction industry.

The Group is determined to assist in the realization of the safer, more comfortable and smarter living experiences for the people in general by virtue of continuing technological innovation with an aim to culminate in an ever more open ecological system for intelligent buildings.



CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I would like to present the half-yearly results and business overview of the Group for the period ended 30 June 2025 to you.

In the first half of 2025, China's economy recovered steadily with robust GDP growth. Infrastructure investment emerged as a key driver, with major projects in water conservancy, shipping and railways accelerating. However, the real estate market experienced a significant downturn. From January to June, the national investment in real estate development amounted to RMB4.67 trillion, representing a year-on-year decrease of 11.2%. The area of residential construction and new housing construction, and the sales area of new commercial properties all declined to varying degrees. The prefabricated building market also faced challenges. The area of newly constructed prefabricated buildings amounted to approximately 360 million square metres, representing a year-on-year decrease of 2%. As competition intensified, the benchmark prices for the PC market in major cities dropped by 1% to 12%.

Affected by the complex economic situation, the Group's half-yearly results declined year-on-year, with a contraction in orders and revenue. For the six months ended 30 June 2025, the Group recorded sales revenue of approximately HK\$50.2 million, representing a year-on-year decrease of approximately 78.7%. The gross loss amounted to approximately HK\$29.9 million. The net loss attributable to the parent company was HK\$270.8 million, representing a year-on-year increase of approximately 58.9%.

Facing a challenging market environment, the Group withstood the pressure and did its utmost to ensure operational safety and fundamentals. In terms of business, we accelerated technology marketing and all-hands marketing to promote business transformation and market upgrades. In terms of capital, we strengthened the collection of receivables and revitalised idle assets to bolster cash flow.

The expansion of new businesses and the efforts in transformation and upgrading continued to deepen. In addition to traditional housing construction, progress was made in wind power towers, municipal construction, industrial park development and overseas business, securing a cumulative RMB181 million in new external orders. Among which, orders for transformation and upgrading and new businesses accounted for 30%. Strategic clients contributed 17 new orders, accounting for 54%. New orders from central state-owned enterprises accounted for 63%, representing a year-on-year increase of 18 percentage points. The Phase I Project of Jiaozhou Metro Line 9 and the Mengzhou Wind Power Tower Project were successfully launched. Breakthroughs were also made in overseas orders.



CHAIRMAN'S STATEMENT *(Continued)*

Efforts were made to optimise operations and stabilise the foundation. Based on its advantages in the PC business, the Group has maintained the quality development of its traditional PC business. It has a nationwide presence with 19 PC factories and one prefabricated decoration industrial park, with an available capacity of 725,000 cubic metres. In the first half of 2025, the contracted sales of prefabricated PC components were approximately RMB180 million, representing a year-on-year decrease of approximately 44%. The output was approximately 41,200 cubic metres, representing a year-on-year decrease of approximately 48%. The sales volume was approximately 43,000 cubic metres, representing a year-on-year decrease of approximately 54%. In terms of sales regions, Central China accounted for approximately 55%, Henan Province for approximately 18%, the Yangtze River Delta for approximately 16% and 11%, the Greater Bay Area for approximately 8%, and other regions for approximately 3%, with all clients being construction companies.

Progress was advanced through collaborative engagement. We held a partner conference themed “Breaking Barriers for Progress, Collaborating for Shared Growth” and invited client representatives and outstanding supplier representatives from across the country to jointly explore the ecosystem development in the prefabricated construction industry. We released the “DIT Group 2024 Customer Satisfaction Survey Analysis Report” and the “DIT Group 2024 Supplier Credit Assessment Results”, advocating for seizing the opportunities of the “Belt and Road” initiative to achieve breakthroughs in overseas expansion. In addition, the Group was invited to participate in the 2025 Carbon Neutrality Technology Exchange and Government-Industry-University Collaboration Conference themed “Gathering Talents in Erqi, Innovating the Future (齐聚二七 智創未來)”, where it conducted a technical roadshow, proposed the “Zero-Carbon Campus” concept, sought business cooperation, and promoted the technological transformation and industry-education integration in the field of carbon neutrality.

2025 marks the concluding year of the 14th Five-Year Plan. The policy focus will continue to drive structural adjustments in the economy. Despite uncertainties in the global geopolitical and economic environment, the in-depth implementation of the “dual-carbon” strategy in China has brought positive growth momentum into the construction industry. The construction industry accounts for 51.3% of the nation’s total carbon emissions. As the core carrier of green construction, prefabricated buildings will continue to benefit from policy dividends. The “14th Five-Year Plan” of the Ministry of Housing and Urban-Rural Development of the People’s Republic of China clearly states that the proportion of prefabricated buildings to new buildings should reach 30% by 2025 and increase to 40% by 2030. With the policy support of provinces and cities for intelligent construction and green building materials, the market penetration of prefabricated buildings will accelerate.



CHAIRMAN'S STATEMENT *(Continued)*

In the second half of the year, the Group will fully advance the “1238 Action Plan”, centering on high-quality order growth to achieve the dual goals of consolidating business results and winning critical battles. In terms of business layout, priority will be given to emerging sectors. We will seize opportunities in new infrastructure, explore new markets, and collaborate with Goldwind and other partners to develop the “Hybrid Tower EPC” model, which aims to increase the profit margin of individual projects to 18%. We will also join forces with Mingyang Wind Power and Shanghai Electric to expand into national markets. We will promote standardized product packages to meet the prefabrication rate requirements in Shenzhen and other cities. In collaboration with the Anhui Water Conservancy Institute, we will develop prefabricated caisson and culvert modules, advancing water-resistant sealing technology to align with the national water network construction. We will also closely follow the progress of the hydropower project in the lower reaches of the Yarlung Tsangpo River to seek cooperation opportunities.

Activating the existing market and seizing opportunities in new infrastructure. We actively promote the renovation of existing stock, rural revitalisation, and new infrastructure deployment. To open up new markets, we will focus on community renewal and the industrialization of interior decoration. In terms of rural revitalisation, we will promote standardised prefabricated rural housing products, leveraging policies to capture the lower-tier markets. Additionally, we will expand into areas such as municipal pipe networks and railway protection components to diversify our order structure and improve capacity utilisation.

Strengthening technological leadership and deepening digital-intelligent integration. The Group adheres to the “Technology Leadership” development strategy, enhancing its viability through transformation, upgrading, and new business expansion. It will implement the strategy for reserves, R&D, and the introduction and integration of technologies and products, driving technological updates through value-added operations. We will innovatively launch a concrete MIC system and build a full-chain supply chain system to ensure quality and supply stability. We will accelerate the R&D of technologies and the transformation of results, enable the large-scale application of patented technologies, and make breakthroughs in the technology of “lightweight non-stressed wall panels” to enhance green building standards. Leveraging technological innovation and introducing new achievements, we are poised to enter the field of industrial and public construction at opportune moment to explore new growth points. We will optimise the manufacturing management platform and online procurement platform to achieve digital and intelligent operations. We will deepen technology-driven marketing, build a media matrix, and ensure that technology-driven marketing orders account for no less than 35% of total annual orders.

Deepening domestic cooperation and expanding international markets. Leveraging resources from state-owned and central enterprises, we will introduce high-quality strategic investors to optimise the asset-liability ratio while securing policy support and order preferences. We will accelerate the development of strategic clients, advance cooperation with new customers and maintain relationships with existing ones, driving a company-wide marketing approach. In expanding our global footprint, we will adopt a product-focused strategy, with MIC modular buildings as the core product, and explore overseas trading opportunities at opportune time to enhance the Group's share and influence in the international market.



CHAIRMAN'S STATEMENT *(Continued)*

On behalf of the Board of Directors, I would like to thank all our employees for their hard work and express our appreciation to our shareholders, investors and partners for their huge support! Facing both challenges and opportunities, the Group will remain confident and proactive. We will continue to enhance our market business capabilities and core competitiveness, striving for high-quality development to create long-term value for shareholders while contributing to the sound development of the industry. Let us join hands and give our all to create a better future!

BY ORDER OF THE BOARD

DIT Group Limited

Guo Weiqiang

Chairman

Hong Kong, 27 August 2025



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2025, the global economy situation remained complex and volatile. Amid ongoing trade wars and tariff disputes, China demonstrated resilience and steady progress, with notable growth in industrial production and a significant increase in manufacturing investment. However, the economy continued to face multiple challenges, and the development of the construction industry was still in an adjustment cycle.

In the first half of 2025, the housing construction market continued to shrink, with industry competition further intensifying. The housing construction area of real estate development enterprises nationwide was 6,333 million square metres, representing a year-on-year decrease of 9.1%. The new housing construction area was 304 million square metres, representing a decrease of 20.0%. The prefabricated construction industry encountered the plight of shrinking market demand, oversupply and overcapacity. Leading prefabricated construction enterprises have halted investments in new factories for two consecutive years. The benchmark prices for the PC market in major cities across the country have declined to varying degrees.

Under a complex and challenging external environment, the Group's operating results in the first half of 2025 were inevitably affected. For the six months ended 30 June 2025, the Group achieved sales revenue of approximately HK\$50.2 million, representing a year-on-year decrease of approximately 78.7%. Its gross loss was approximately HK\$29.9 million. Net loss attributable to the parent company was HK\$270.8 million, representing a year-on-year increase of approximately 58.9%.

I. Continuously deepening transformation and upgrading, and actively expanding into diversified markets

In the first half of 2025, facing a challenging market environment, DIT Group withstood the pressure and maintained stable production and operational fundamentals. In terms of business, the Group accelerated technology marketing and all-hands marketing, driving continuous business transformation and market upgrading. We remain committed to transforming into a technology integration and application service enterprise. In terms of capital, the Group strengthened the collection of receivables, and promoted the leasing of idle factories and the revitalisation of idle assets to bolster cash flow. On the basis of its traditional housing construction, DIT Group vigorously promoted transformation and upgrading and the expansion of new business. The Group continued to promote transformation and upgrading and new business expansion in addition to traditional housing construction, and made progress in areas such as wind turbine towers, municipal construction, industrial park construction and overseas business.

The cumulative new contracts signed in the first half of 2025 amounted to RMB180 million, all being external orders. New orders for transformation and upgrading and new business amounted to RMB54 million, accounting for 30%. New orders from central state-owned enterprises amounted to RMB114 million, accounting for 63% and representing an increase of 18 percentage points year-on-year. Strategic clients contributed 17 new orders with a value of RMB98 million, accounting for 54%.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

BUSINESS REVIEW *(Continued)*

I. **Continuously deepening transformation and upgrading, and actively expanding into diversified markets** *(Continued)*

While the domestic prefabricated construction market remains sluggish, the overseas market is experiencing rapid growth. Strong infrastructure demand in “Belt and Road” countries has made them key regions for international projects, creating a strategic window for Chinese state-owned construction enterprises to expand globally and capture new opportunities. Regions such as Australia, the Middle East, and South Africa are vigorously developing prefabricated construction. For example, Saudi Arabia and the UAE are strongly advancing modular construction with a compound annual growth rate of 7.94%, while the Maldives and El Salvador are undertaking large-scale prefabricated villa projects. Through continuous market expansion, DIT Group has made certain progress in overseas orders: the Hong Kong Light Public Housing project is about to be undertaken; the California project in the U.S. is in the process of constructing sample homes to obtain ACC and other American certifications, alongside coordination and relationship-building efforts; and the El Salvador project, the Riyadh project in Saudi Arabia, and the Australian villa project are currently being followed up.

II. **Optimising operations to stabilise the foundation, and gathering strength for collaborative breakthroughs**

During the Reporting Year, the Group maintained quality development in its traditional PC business based on its competitive advantages and industry leading position of the PC business. As of 30 June 2025, the Group had 19 PC factories and one prefabricated decoration industrial park nationwide, with an available capacity of 725,000 cubic metres. In the first half of 2025, the contracted sales of prefabricated PC components were approximately RMB180 million, representing a year-on-year decrease of approximately 44%; the output of PC components was approximately 41,200 cubic metres, representing a year-on-year decrease of approximately 48%; and the sales volume of PC components was approximately 43,000 cubic metres, representing a year-on-year decrease of approximately 54%. In terms of PC components sales by regions, Central China accounted for approximately 55%, Henan Province for approximately 18%, the Yangtze River Delta for approximately 16% and 11%, the Greater Bay Area for approximately 8%, and other regions for approximately 3%, reflecting the national production capacity business planning. In addition, all customers for PC component sales were construction companies.

In the first half of the year, collection from operations of DIT Group amounted to RMB277 million, of which cash inflow was RMB108 million, accounting for 40%. Collection from litigation amounted to RMB24.08 million, of which loss recovery from bad debts amounted to RMB10 million. Disposal of idle assets and rental recovery amounted to RMB5.79 million.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

BUSINESS REVIEW *(Continued)*

II. **Optimising operations to stabilise the foundation, and gathering strength for collaborative breakthroughs** *(Continued)*

In the first half of the year, the Group thoroughly implemented the annual meeting's guiding principles of "Renewal, Restructuring, and Collaboration", carrying out merit-based selection and appointing 7 managerial personnel. Upholding the spirit of heroism, we advocated for five categories of exemplary employees, identifying 14 outstanding individuals from frontline staff. In the first half of the year, 192 employees were optimised, representing an optimisation ratio of 27%. Monthly labour costs were reduced from RMB7 million at the beginning of the year to RMB5.31 million at the end of June, a decrease of RMB1.69 million or 24%. Primarily leveraging the internal training resources, the Company conducted 10 high-quality courses focusing on key areas such as technology marketing, debt resolution for operational stability and technological innovation. A total of 1,779 employees participated, accumulating 11 training hours. This initiative played a positive role in helping employees stay informed about industry trends and implement best practices.

On 10 April, DIT Group held a partner conference themed "Breaking Barriers for Progress, Collaborating for Shared Growth" attended by client representatives and top suppliers from across the nation. The event served as a platform to explore ecosystem development in the prefabricated construction industry and seek new opportunities for win-win collaboration. The Group released the "DIT Group 2024 Customer Satisfaction Survey and Analysis Report" and the "DIT Group 2024 Supplier Credit Evaluation Results", advocating for seizing the new opportunities of the "Belt and Road" initiative and achieving overseas breakthroughs through dedicated cooperation. The initiative aimed to strengthen partnerships, enhance market competitiveness, and foster synergistic industry development, injecting new momentum into modern construction industrialization. The event garnered 12,000 engagements across all platforms.

On 28 June, DIT Group was invited to participate in the 2025 Carbon Neutrality Technology Exchange and Government-Industry-University Collaboration Conference themed "Gathering Talents in Erqi, Innovating the Future (才聚二七 智創未來)", jointly organised by six parties including the People's Government of Erqi District of Zhengzhou City, Henan Association of Construction Education, Huanghe Science and Technology University and DeepRock Group. During the event, the Group conducted a technical roadshow, proposed the "Zero-Carbon Campus" concept, sought business cooperation opportunities, and jointly promoted the technological transformation and deep integration of industry and education in the field of carbon neutrality.

BUSINESS OUTLOOK AND STRATEGY

I. **Policy dividends continue to unfold, while dual-carbon initiatives drive industry upgrading**

As China's economy enters a new stage of high-quality development, 2025 will mark the concluding year of the 14th Five-Year Plan. The policy focus will continue to drive structural adjustments in the economy. Despite the uncertainties in the global geopolitical and economic environment, the in-depth implementation of the "dual-carbon" strategy in China has injected positive growth momentum into the construction industry. The construction industry accounts for 51.3% of China's total carbon emissions. As a key driver of green construction, prefabricated buildings will continue to benefit from policy support. The "14th Five-Year Plan" of the Ministry of Housing and Urban-Rural Development of the People's Republic of China clearly states that the proportion of prefabricated buildings to new buildings should reach 30% by 2025 and further increase to 40% by 2030. With the policy support of provinces and cities for intelligent construction and green building materials, the market penetration of prefabricated buildings will accelerate.

II. **Taking advantages of the entire industry chain and expanding into emerging application scenarios**

1. ***Strengthening the ability to collaborate across the entire industry chain***

Leveraging its engineering, manufacturing, procurement, and construction (EMPC) capabilities across the entire industry chain, the Group is committed to fully integrating PC components, landscaping and decoration businesses, while building a service system that covers the entire lifecycle of prefabricated buildings. We will focus on promoting emerging areas such as wind-concrete hybrid tower, vertical industrial development, and water conservancy project, with details as follows:

Wind-concrete hybrid tower: Capitalising on the target of 60GW of onshore wind power installations by 2025, the Company will collaborate with Goldwind and other partners to develop the "Hybrid Tower EPC" model, which aims to increase the profit margin of individual projects to 18%. The Company will also strengthen strategic collaborations with Mingyang Wind Power and Shanghai Electric while simultaneously expanding our nationwide market presence.

Vertical industrial development: In response to the mandatory prefabricated building rate in Shenzhen and other cities, we will promote the standardised product package of "laminated panels + prestressed frame beams" and draw on the successful "3-month delivery" experience from the Changsha project. This approach is expected to reduce the overall cost by 20%.

Water conservancy project: In collaboration with the Anhui Water Conservancy Institute, we will develop prefabricated caisson and culvert modules, advancing water-resistant sealing technology. This will address the demand for national water network construction and reduce river management costs by 30%. The marketing department will continue to monitor the latest development of the hydropower project in the lower reaches of the Yarlung Tsangpo River and actively seek cooperation opportunities.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

BUSINESS OUTLOOK AND STRATEGY *(Continued)*

II. Taking advantages of the entire industry chain and expanding into emerging application scenarios *(Continued)*

2. **Seizing opportunities of new infrastructure construction in the existing market**

Existing property renovation: Relying on the resources of 400,000 property owners of Central China New Life, the Company will launch an “old house renovation + prefabricated decoration” package, focusing on community renewal and interior industrialisation to achieve new breakthroughs in the business market.

Rural revitalisation: We will promote standardised packages of prefabricated farmhouses to reduce the cost of individual decorations. At the same time, we will target the lower-tier market, guided by the new rural construction policy.

New infrastructure construction: We will expand into areas like municipal pipeline networks and railway protection components, enriching our order structure to increase the capacity utilisation rate.

III. **Strengthening technological leadership and deepening digital-intelligent industrial integration**

Adhering to the development strategy of “Top Priority for Leading Edge of Technology”, the Group will continue to invest in R&D to strengthen the research of cutting-edge technologies in the field of prefabricated buildings. The Company aims to enhance its competitiveness through breakthroughs in restructuring and upgrading and new business development. By adhering to the path of becoming a technology integration and application service enterprise, the Company will strengthen its reserves, R&D, and the introduction and integration of technologies and products, fostering technological upgrades and iterations through value-added operations. We will develop non-equivalent cast-in-place prefabricated frame structures and launch high-quality, low-cost, highly integrated, and robust concrete MIC systems, establishing a complete supply chain system for the entire industrial chain.

As the first national key R&D program project led by the Group, based on the efficient connection technology of iterative plate members and semi-rigid connected prefabricated structure technology, the Group developed a new type of large-span prestressed iterative floor product and a hybrid dry-wet connection product with efficient prefabricated construction technology (RIFF system), and created a software system that integrates the data interoperability of the three phases of design, manufacturing and construction, which has already been granted a national patent. The products and system have demonstrated broad market prospects and significant economic benefits. We will accelerate the R&D of technologies and the transformation of results, enabling the large-scale application of patented technologies such as the RIFF system and prestressed laminated panels. We will also focus on breakthroughs in the technology of “lightweight non-stressed wall panels” to enhance green building standards and promote the sustainable development of the construction industry.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

BUSINESS OUTLOOK AND STRATEGY *(Continued)*

III. **Strengthening technological leadership and deepening digital-intelligent industrial integration** *(Continued)*

Focusing on the industrialisation approach, the Group is committed to using technological innovation and the introduction of achievements, choosing opportunities to enter the field of industrial and public construction, and using the RIFF system to promote the technology application of “Four New”, including new technologies, new processes, new materials and new equipment, so as to contribute to the development of the industry. In addition, the Group will focus on breaking through the R&D of new material manufacturing equipment technology in major equipment manufacturing, and will maintain its leading position in the industry through the release of technical specifications, digitisation of the entire industry chain, and intelligent PC equipment, which will give full play to its strengths in R&D.

At the same time, the Group has the most comprehensive and advanced digital management system in the industry, and is committed to building an innovative whole industry chain synergy model and realising the “Home Smart” strategy. Relying on the scientific and technological innovation and integration at the core production steps (i.e., design, manufacturing, and construction) of the whole prefabricated construction industry chain, it will achieve standardised design, factory manufacturing, professional construction, platform-based procurement, fine management, and intelligent operation in the entire industry chain by combining BIM technology, cloud computing, big data, Internet of things and other digital technologies through prefabrication. This leads to an overall upgrade of construction quality, schedule, and cost. The in-depth integration of the BIM+ERP system will empower data connectivity in the entire process of design, manufacturing and construction, reducing the error rate in component production to less than 0.5mm and lowering rework costs.

With respect to digital and intelligent transformation, the Group will continue to improve its manufacturing management platform, and online procurement and investment promotion platform, promote the construction of smart community R&D platform, and build product analysis models to support data decision making. By leveraging on both parties’ strengths in “digitalisation” and “industrialisation”, the Group will continue to work with Glodon to develop SaaS-based digital products, create overall digital solution for the prefabricated construction industry, integrate digitalisation and industrialisation of construction, and carry out industrialisation platform planning to promote the market launch of digital products. With the Group’s leading position in digital and intelligent transformation and the large room for system application, the Group will focus more on the application of the whole process information management system in the future, and plans to promote the digital system in the industry to serve domestic and overseas PC manufacturers, leading the transformation and upgrading of digitisation and intelligence in the construction industry.

In terms of technology marketing, the Group will focus on building a comprehensive media matrix and gathering various business scenarios to facilitate collaborations with government entities, universities, and peer companies, thereby attracting clients with diverse needs. The objective is to ensure that orders acquired through technical marketing account for no less than 35% of the total contract value for the year.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

BUSINESS OUTLOOK AND STRATEGY *(Continued)*

IV. Deepening domestic ecological cooperation and achieving breakthroughs in international market

1. *Focusing on the domestic market*

By leveraging the resources of central state-owned enterprises and deepening cooperation with major entities like China Construction and China Nuclear Construction, we aim to undertake large-scale infrastructure projects through the EPC consortium model, thereby enhancing profit margins. Through cooperations with strategic investors such as China Energy Engineering and Railway Construction Investment Corporation, we are able to optimise the balance sheet ratio, and secure policies and orders that favour the Company.

We will implement a trinity approach of strategic customer maintenance, new business expansion and technology marketing, and synergize resources from all parties to advance the development of strategic clients. This includes engaging with new clients such as CCCC First Harbor, China Construction Third Engineering Bureau (South China) Co., Ltd., Henan Water Conservancy No.2 Engineering Bureau Group, Huanghe Science and Technology University, Sinohydro Group, and China MCC4 Group. We will also maintain relationships with existing clients by signing strategic cooperation agreements to secure more orders from strategic customers. Additionally, we will promote a company-wide marketing approach by mobilising frontline staff to participate in sales initiatives and incentivising order expansion efforts.

2. *Expanding into the international market*

Product positioning: The product is positioned as a low-multi-level technical product for villas. By adopting a product-focused strategy, we will prioritise MIC modular buildings and fully furnished villas as our core and flagship products for overseas exports, with ALC wall panels, doors and windows, aluminium veneers, space warehouses, and other components serving as supplementary offerings. At the same time, we will engage in overseas trade as appropriate.

Key projects: In the second half of the year, we will finalise contracts for the Hong Kong Light Public Housing and the Pat Fong Nullah renovation projects, while advancing the signing and implementation of the California Villa Project in the U.S. For the affordable housing project in Iran, the technical plan for process planning has been completed, and a cooperation agreement will be signed as soon as possible. For the UNRRA affordable housing project, materials have been submitted for filing, and the Group will closely follow up to ensure the completion of the approval process.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

BUSINESS OUTLOOK AND STRATEGY *(Continued)*

IV. Deepening domestic ecological cooperation and achieving breakthroughs in international market *(Continued)*

2. *Expanding into the international market (Continued)*

Technology export: In addition to product export, technology export is also one of the important businesses of overseas companies. At present, due to the domestic economic pressure and the downturn in the real estate industry, a large number of central enterprises have started to develop overseas housing construction business. However, in light of the difficulty and low efficiency of the traditional construction practices, compounded by the nature of foreign labour, it is more complicated to engage in the overseas housing construction business. In this context, the best approach for overseas housing construction is to begin with China's prefabricated building technology. Some of the central enterprises engaged in overseas housing construction business lack mature prefabricated building technology or are unwilling to start from scratch to re-examine it. This presents an opportunity for these enterprises to engage in in-depth collaboration with DIT Group to achieve complementary advantages.

3. *Upgrading the industrial model*

We adopt a dual production model of "domestic factory + overseas factory", with overseas exports primarily focused on MIC assembled houses, supplemented by the export of full-dry systems and RIFF system components. This approach reduces heavy asset investment through the "technology shareholding + local OEM" model.

MIC mainly relies on domestic production, with emphasis on factories in Huizhou and Nanjing, which are convenient for water and sea transportation, allowing for direct port access and reducing transportation costs. We will work towards establishing nomadic factories in various countries as conditions permit, allowing for cooperation with investors. Under this model, DIT Group will hold the shares, while investors will cover transportation costs, factory rental fees, operating expenses, and other associated costs, ensuring mutual benefits for both parties.

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Business Outlook and Strategy *(Continued)*

As of 30 June 2025, the Group has signed contracts with third parties for the sale of prefabricated components with a total contract amount of approximately RMB181.47 million and a total volume of 89,809 cubic metres.

Sales revenue of prefabricated construction units	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Sales revenue from third parties	42,488	173,072
Sales revenue from related parties	—	28,021
Total	42,488	201,093

Technology trademarks and patents obtained by the Group during the first half of 2025

Patents: As at 30 June 2025, 1,973 patents were granted in aggregate.

Plants in operations

Regions	Annual estimated capacity (approximate '000 cubic metre)	Area of land (approximate mu)	Area of plants (approximate square metre)
Nanjing Technology Park	90	151	35,981
Zhengzhou Technology Park	80	235	19,659
Hefei Technology Park	70	154	22,398
Huizhou Technology Park	65	61	22,284
Changsha Technology Park	60	352	33,433
Zhoukou Technology Park	60	135	20,639
Qingdao Jiaozhou Technology Park	60	93	19,339
Luoyang Technology Park	60	308	55,260
Jiaozuo Technology Park	60	80	19,383
Huaian Technology Park	60	120	19,356
Nantong Technology Park	60	100	26,154
Xiangtan Technology Park	60	100	19,310
Chongqing Technology Park	60	133	19,659
Total	845	2,022	332,855



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Business Outlook and Strategy *(Continued)*

Government grants in the first half of 2025

As prefabricated construction industry has received strong support from central government of People's Republic of China (the "PRC"), local governments are initiating relevant ancillary policies, offering honorary awards and fund subsidies. As a national high-tech enterprise, the technology innovation capability of the Group is widely recognized by the government authorities. The Group has been granted honorary awards such as Changsha Engineering Research Center and National Intellectual Property Advantageous Enterprises. We have also made great contributions to environmental energy-saving engineering, promotion of industry upgrade and transformation, and intelligent manufacturing, while encouraging local employment and industry development. In this regard, local governments offer direct cash incentives.

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Government grants	401	5,470

The Group has satisfied and complied with the relevant requirements and regulations in the PRC necessary for the receipt of the above government grants.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Financial Review

Review of results

The principal activities of the Group are prefabricated construction work, decoration and landscaping services, granting licenses, consulting services and sales of equipment in the People's Republic of China.

Revenue

The revenue of the Group decreased by approximately HK\$185.1 million from approximately HK\$235.3 million for the six months ended 30 June 2024 to approximately HK\$50.2 million for the six months ended 30 June 2025. The decrease in revenue was mainly attributable to (i) the decrease in revenue from sales of prefabricated construction units and consulting services as a result of the decreasing number of customers for the six months ended 30 June 2025; and (ii) the decrease in revenue from the smart landscaping business and smart decoration business as a result of the decreasing number of customers for the six months ended 30 June 2025. As a result, the Group recorded sales revenue for the six months ended 30 June 2025 of prefabricated construction units of approximately HK\$42.5 million (six months ended 30 June 2024: approximately HK\$201.1 million), revenue from decoration and landscaping services of approximately HK\$2.1 million (six months ended 30 June 2024: approximately HK\$25.9 million), rental income from investment properties of approximately HK\$5.6 million (six months ended 30 June 2024: approximately HK\$4.1 million), no revenue from consulting services (six months ended 30 June 2024: approximately HK\$3.5 million) and no revenue from sales of prefabricated construction equipment (six months ended 30 June 2024: approximately HK\$0.7 million).

Cost of sales

The Group recorded cost of sales of approximately HK\$80.1 million (six months ended 30 June 2024: approximately HK\$232.3 million) for the six months ended 30 June 2025. The decrease was primarily attributable to the decrease in sales of prefabricated construction units.

Other income

The other income of the Group remained unchanged at approximately HK\$0.5 million for the six months ended 30 June 2024 and 30 June 2025. Part of other income came from interest income generated from bank deposits.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Financial Review *(Continued)*

Other losses — net

For the six months ended 30 June 2025, other losses — net amounting to approximately HK\$16.4 million mainly comprised of (i) losses on disposal of equipment amounting to approximately HK\$9.1 million; and (ii) fair value change on investment properties amounting to approximately HK\$6.5 million.

Selling and distribution expenses

The selling and distribution expenses decreased by approximately HK\$12.7 million to approximately HK\$9.5 million for the six months ended 30 June 2025 from approximately HK\$22.2 million for the six months ended 30 June 2024, such expenses are directly related to the sale of prefabricated construction units.

Administrative expenses

The administrative expenses increased by approximately HK\$6.1 million from approximately HK\$91.3 million for the six months ended 30 June 2024 to approximately HK\$97.4 million for the six months ended 30 June 2025. Such increase was due to the increase in amortization expenses produced by the factory.

Finance costs

The finance costs decreased by approximately HK\$3.7 million from approximately HK\$43.0 million for the six months ended 30 June 2024 to approximately HK\$39.3 million for the six months ended 30 June 2025. Finance costs came from the interest expenses for the bank borrowings.

Loss for the period

As a result of the foregoing, the Group recorded loss of approximately HK\$286.5 million for the six months ended 30 June 2025 as compared to a loss of approximately HK\$185.1 million for the corresponding period of 2024.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Financial Review *(Continued)*

Liquidity and financial resources

As at 30 June 2025, the Group had current assets of approximately HK\$1,646.4 million (31 December 2024: approximately HK\$1,862.7 million) and current liabilities of approximately HK\$2,583.2 million (31 December 2024: approximately HK\$2,655.9 million). The current ratio (which is calculated by divided total current assets by total current liabilities) was approximately 0.6 as at 30 June 2025 (31 December 2024: 0.7).

As at 30 June 2025, the Group held borrowings amounted to approximately HK\$1,698.4 million (31 December 2024: approximately HK\$1,679.7 million) and the net gearing ratio (calculated as net debt divided by total equity) was 102% (31 December 2024: 86.0%).

As at 30 June 2025, the Group had cash and cash equivalents of approximately HK\$2.9 million, which include approximately HK\$1.9 million denominated in RMB and approximately HK\$1.0 million denominated in HKD (31 December 2024: approximately HK\$6.4 million, in which approximately HK\$5.6 million denominated in RMB and approximately HK\$0.8 million denominated in HKD). As at 30 June 2025, the Group had restricted cash of approximately HK\$25.1 million, all denominated in RMB (31 December 2024: approximately HK\$26.8 million, all denominated in RMB).

As at 30 June 2025, the Group had interest-bearing bank and other borrowings of approximately HK\$1,698.4 million, all denominated in RMB with interest rate in a range of 3.10% to 6.95% per annum (31 December 2024: approximately HK\$1,679.7 million, all denominated in RMB with interest rate in a range of 3.10% to 9.72% per annum). Please refer to note 21 and note 23 to the consolidated financial statements for detailed information.

Other than the matters above, there has been no material change from the information published in the annual report of the Company for the year ended 31 December 2024.

Capital structure

As at 30 June 2025, the total number of issued Shares was 3,101,095,730 Shares. Based on the closing price of HK\$0.066 per Share as at 30 June 2025, the Company's market value as at 30 June 2025 was approximately HK\$204.7 million.

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Financial Review *(Continued)*

Capital structure *(Continued)*

On 19 November 2021, the Company allotted and issued 300,000,000 new Shares (the “Subscription Shares”) to Glodon (Hongkong) Software Limited for cash at subscription price of HK\$0.96 per Subscription Share (the “Subscription”). The net proceeds from the Subscription (after deducting the expenses incurred in the Subscription) amounted to approximately HK\$287,500,000. The Company intends to apply the net proceeds from the Subscription: (i) as to HK\$90,000,000 for digitalization and software development in relation to the construction industry, and (ii) the remaining amount for working capital and other general corporate purposes. There had been no change in the intended use of net proceeds as previously disclosed in the Company’s announcements. The details of the use of the net proceeds from the Subscription are set out below:

Uses of net proceeds	Net proceeds from the Subscription (HK\$ million)	Actual unutilized amount as at 1 January 2025 (HK\$ million)	Actual amount utilized during the Reporting Period (HK\$ million)	Actual amount utilized up to 30 June 2025 (HK\$ million)	Actual unutilized amount as at 30 June 2025 (HK\$ million)	Expected utilization timeline for unutilized amount
Digitalization and software development in relation to the construction industry	90.0	83.3	–	6.7	83.3	31 December 2025
Working capital and other general corporate purposes	197.5	–	–	197.5	–	–

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Financial Review *(Continued)*

Structure of Borrowings and Deposits

The Group continued to adopt a prudent principle on financial management and centralise our funding and financial management. Therefore, we maintained a high proportion of cash with a reasonable level of borrowings. As at 30 June 2025, the repayment schedule of the Group's loans and lease liabilities was as follows:

Repayment Schedule	As at 30 June 2025 HK'000 (unaudited)	As at 31 December 2024 HK\$'000 (audited)
Borrowings		
Within one year	880,615	959,656
More than one year, but not exceeding two years	529,941	322,556
More than two years, but not exceeding five years	287,893	397,438
Total debt	1,698,449	1,679,650
Interest payable	94,607	61,972
Less: cash and cash equivalents	(2,887)	(6,435)
Net debt	1,790,169	1,735,187
Total equity	1,758,899	2,018,536
Net gearing ratio	102%	86.0%

Financial Review *(Continued)*

Exposures to exchange rates

Presently, most of the Group's business transactions, assets and liabilities are denominated in Hong Kong dollars and Renminbi. The board of directors of the Company is of the view that the Group's exposure to currency risk is minimal and hence the Group does not have any currency hedging policy and has not entered into any hedging or other instruments to reduce currency risk. However, the management will closely monitor the Group's exposure to the fluctuation of exchange rates and take appropriate measures as necessary to minimise any adverse impact that may be caused by such fluctuation.

Employees and Remuneration Policy

1. Analysis of employees as at 30 June 2025

As at 30 June 2025, the Group had 343 employees (31 December 2024: 321) excluding directors of the Company (the "Directors"), among which, 341 (31 December 2024: 318) of them worked in the PRC and 2 (31 December 2024: 3) of them worked in Hong Kong. The numbers of employees by age, education level and function are set out as below:

Age:

20–30	33
31–40	177
41–50	76
51 or above	57
Total	343



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Employees and Remuneration Policy *(Continued)*

1. Analysis of employees as at 30 June 2025 *(Continued)*

Education level:

Master degree or above	13
Bachelor degree	99
Associate degree	93
Middle school or below	138

Total	343
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Function:

Construction	172
Administration	52
Finance and accounting (finance and costing)	51
Sales, marketing and customer service	46
Management	22

Total	343
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2. Remuneration policy

Employees are basically remunerated based on the nature of their job and their performance as well as the prevailing market trend. Other employee benefits include mandatory provident fund, medical benefits and year-end discretionary bonus. Following a people-oriented approach, we implement a systematic recruitment, training and incentive platform, providing internal fuel for the growth of the Group. In doing so, we create a desirable workplace for our employees to develop and flourish.

The Company has adopted a share option scheme as an incentive to the Directors and eligible employees, details of the scheme are set in the section headed "Share Option Scheme" below.

Details of the emoluments of the employees are set out in note 8 to the consolidated financial statements.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Charges on the Group Assets

As at 30 June 2025, no significant assets of the Group were pledged to banks to secure general banking facilities and bank loan granted to the Group, except for the one as disclosed in note 23 to the consolidated financial statements.

Capital Commitments and Contingent Liabilities

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

Issue of Equity Securities for Cash by the Group

During the six months ended 30 June 2025, the Group has not issued for cash any equity securities (including securities convertible into equity securities).

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors of the Company that makes strategic decisions.

The Group is managed centrally and the Directors are of the view that the whole Group is one single reporting segment and hence no segment information is presented.

Significant Investment, Material Acquisition and Disposal of Subsidiaries

The Group had no significant investment, or material acquisition or disposal of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

Future Plans for Material Investments and Capital Assets

Except as disclosed in the “Business Outlook and Strategy” above, the Group did not have other plans for material investments or capital assets as at 30 June 2025.

Material Events After The Reporting Period

As at the date of this interim report, there were no significant events after the Reporting Period.



CORPORATE GOVERNANCE

Corporate Governance Practices

The Company is committed to maintaining high standard corporate governance practices as the Board considers that good and effective corporate governance is essential for enhancing accountability and transparency of a company to the investing public and other stakeholders.

Reference is made to the announcement of the Company dated 26 January 2024. As disclosed in the announcement, as Mr. Guo Weiqiang (“Mr. Guo”) serves as both the Chairman and the Chief Executive Officer, such practice deviates from code provision C.2.1 of the Corporate Governance Code as set forth in Appendix C1 of the Listing Rules (the “CG Code”). The Board believes that vesting the roles of both the Chairman and the CEO in the same person can facilitate the execution of the Group’s business strategies and boost effectiveness of its operation. Therefore, the Board considers that the deviation from the code provision C.2.1 of the CG Code is appropriate in such circumstance. In addition, under the supervision of the Board, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

Code provision C.1.6 provides that non-executive Directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Due to their respective business engagements, Mr. Wang Jun was unable to attend the annual general meeting of the Company held on 20 May 2025.

For the six months ended 30 June 2025, save as disclosed, the Company has fully complied with the code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ securities transactions. In response to the specific enquiry made by the Company, all the Directors confirmed that they fully complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2025.

The Company has also adopted a code for dealing in the Company’s securities by relevant employees, who are likely to be in possession of inside information in relation to the securities of the Company, on no less exacting terms than the Model Code.

Interim Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2025, the following Directors and chief executives of the Company had or were deemed to have interests and 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) ("SFO")) which (i) have 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 which were taken or deemed to have under such provisions of the SFO); or (ii) have been entered in the register maintained by the Company pursuant to Section 352 of the SFO; or (iii) otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code to the Listing Rules.

Long positions in the Shares and underlying Shares of the Company

Name of Director or chief executive	Capacity	Number of Share Options held (note 2)	Number of Shares held	Percentage of the Issued Share Capital (note 1)
Mr. Guo Weiqiang	Director	21,000,000	2,930,000	0.77%

Notes:

1. It was based on 3,101,095,730 Shares as at 30 June 2025.
2. Such interest in the Shares is held pursuant to the share options granted under the New Scheme (as defined below), the details of which are disclosed on pages 33 to 35.

Save as disclosed above or under the section headed "Share Option Scheme" below, as at 30 June 2025, so far as is known to any Director or the chief executive of the Company, none of the Directors nor the chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required, pursuant to Divisions 7 and 8 of Part XV of the SFO, to be notified to the Company and the Stock Exchange; (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.



GENERAL INFORMATION *(Continued)*

Substantial Shareholders' Interest and Short Positions in Shares and Underlying Shares

As at 30 June 2025, as far as known to the Directors or chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had the interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long positions in the Shares and underlying Shares of the Company as at 30 June 2025

Name of Shareholders	Capacity	Number of Shares held	Percentage of the Issued Share Capital (note 1)
Jiayao Global Investments Limited ("Jiayao")	Beneficial owner	1,470,110,000	47.41%
Jiamin (Holding) Investment Limited	Beneficial owner	80,000,000	2.58%
Jianuo (Holding) Investment Limited	Beneficial owner	77,500,000	2.50%
Jiaxin (Holding) Investment Limited	Beneficial owner	68,500,000	2.21%
Jiaheng (Holding) Investment Limited	Beneficial owner	67,250,000	2.17%
Jiacheng (Holding) Investment Limited	Beneficial owner	16,250,000	0.52%
Jialing (International) Investment Limited	Interest of controlled corporation	309,500,000	9.98%
Jiayao	Interest of controlled corporation	309,500,000	9.98%
Jiaye Summit Global Investments Limited	Interest of controlled corporation	1,779,610,000	57.39%
Drawin Intelligent Manufacture Technology Industry Group Limited	Interest of controlled corporation	1,779,610,000	57.39%
Henan Drawin Intelligent Manufacture Technology Industry Group Limited	Interest of controlled corporation	1,779,610,000	57.39%
Henan Hongdao Business Information Consultancy Company Limited	Interest of controlled corporation	1,779,610,000	57.39%

Substantial Shareholders' Interest and Short Positions in Shares and Underlying Shares (continued)

Long positions in the Shares and underlying Shares of the Company as at 30 June 2025
(continued)

Name of Shareholders	Capacity	Number of Shares held	Percentage of the Issued Share Capital (note 1)
Henan Jianye Business Information Consultancy Company Limited	Interest of controlled corporation	1,779,610,000	57.39%
Construction Development (H.K.) Company Limited	Interest of controlled corporation	1,779,610,000	57.39%
Construction Housing Group Company Limited	Interest of controlled corporation	1,779,610,000	57.39%
Jianye Holdings Limited	Interest of controlled corporation	1,779,610,000 (notes 2 & 3)	57.39%
Joy Bright Investments Limited	Beneficial owner	245,567,425 (notes 2 & 3)	7.92%
Mr. Wu Po Sum	Interest of controlled corporation	2,025,177,425 (notes 2 & 3)	65.31%
Youdao Development International (Hong Kong) Limited	Beneficial owner	1,624,345,000 (note 3)	52.38%
Henan Tongsheng Real Estate Co., Ltd	Interest of controlled corporation	1,624,345,000 (note 3)	52.38%
Henan Railway Construction & Investment Group Co., Ltd.	Interest of controlled corporation	1,624,345,000 (note 3)	52.38%
Glodon (Hong Kong) Software Limited	Beneficial owner	300,000,000	9.67%
Glodon Company Limited (note 4)	Interest of controlled corporation	300,000,000	9.67%



GENERAL INFORMATION *(Continued)*

Substantial Shareholders' Interest and Short Positions in Shares and Underlying Shares *(continued)*

Long positions in the Shares and underlying Shares of the Company as at 30 June 2025 *(continued)*

Notes:

1. It was based on 3,101,095,730 Shares as at 30 June 2025.
2. Mr. Wu Po Sum holds 100% of the issued share capital of Joy Bright Investments Limited and Jianye Holdings Limited.
3. Youdao Development International (Hong Kong) Limited (a wholly-owned subsidiary of Henan Tongsheng Real Estate Co., Ltd, which is in turn wholly-owned by Henan Railway Construction & Investment Group Co., Ltd.) acquired a security interest in 1,624,345,000 Shares from corporations controlled by Mr. Wu Po Sum.
4. Glodon Company Limited is a company established under the laws of the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002410).

Save as disclosed above, as at 30 June 2025, the Directors were not aware of any persons (other than the Directors and chief executive of the Company) who had any interests or short positions in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Purchase, Sale or Redemption of Securities

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



Share Option Scheme

The share option scheme adopted by the Company on 7 August 2013 (the “Old Scheme”) was terminated pursuant to an ordinary resolution passed by the shareholders of the Company on 17 July 2020. A new share option scheme (the “New Scheme”) in place of the Old Scheme was adopted pursuant to such resolution with effect from 17 July 2020 which has a term of 10 years. The purpose of the New Scheme is to provide participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The New Scheme will provide the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to participants.

Under the New Scheme, the employees of the Group (including the executive Directors) and such other persons as the Board may consider appropriate may be granted share options which entitle them to subscribe for Shares representing, when aggregated with any Shares subject to any other scheme(s) of the Company, up to a maximum of 10% of the Shares in issue of the Company as at 17 July 2020, unless the Company obtains a fresh approval from the Shareholders to renew the limit as described above or the Shareholders specifically approve the grant.

The amount payable by a grantee on acceptance of a grant of the share option within 10 business days from the date on which the letter containing the offer is delivered to him is HK\$1.00 (or its equivalent in RMB or any other currency acceptable to the Company).

The maximum number of Shares issued and to be issued upon exercise of the share options granted and to be granted pursuant to the New Scheme and any other share option scheme(s) of the Company to each participant in any 12-month period up to and including the date of grant of the share options must not exceed 1% of the total number of Shares in issue. Any further grant of share options which would result in the number of the Shares issued as aforesaid exceeding the said 1% limit must be approved by the Shareholders in general meeting at which such participant and his or her associates must abstain from voting.

Any grant of share options to a participant who is a Director, chief executive, or substantial Shareholder or any of their respective associate must be approved by the independent non-executive Directors, excluding any independent non-executive Director who is the grantee of the share options.

The exercise periods of the share options may be specified by the Company at the time of the grant, which shall not exceed 10 years from the relevant date of the grant subject to provisions of early termination thereof. The Board at its discretion may impose such terms and conditions of the grant on a case-by-case basis including but not limited to the minimum period for which the share options must be held or the performance target which must be achieved before the share options can be vested.

GENERAL INFORMATION *(Continued)*

Share Option Scheme *(continued)*

The subscription price of the share options under the New Scheme shall be determined by the Board in its absolute discretion and notified to a participant, provided that such price shall be at least the highest of (i) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of a share option which must be a trading day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for the five consecutive trading days immediately preceding the date of grant; and (iii) the nominal value of a Share.

The New Scheme will expire on 16 July 2030.

No share options have been granted, exercised, cancelled or lapsed under the Old Scheme.

Movement of share options granted by the Company under the New Scheme for the period from 1 January 2025 to 30 June 2025 was as follows:

Name or category of participants	Date of grant	Exercise price per Share	Vesting period (note 1)	As at 1 January 2025	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period (note 2)	Lapsed during the Reporting Period	As at 30 June 2025
Directors									
Mr. Guo Weiqiang	30 November 2020	HK\$1.09	10 years from the date of grant	18,900,000	–	–	–	–	18,900,000
Other employee participants									
Senior management and other employees of the Group	30 November 2020	HK\$1.09	10 years from the date of grant	75,173,334	–	–	–	–	75,173,334
	30 November 2020	HK\$1.09	6 years from the date of grant	8,833,334	–	–	–	–	8,833,334
				102,906,668	–	–	–	–	102,906,668



GENERAL INFORMATION *(Continued)*

Share Option Scheme *(continued)*

Notes:

1. The share options granted will vest annually in equal instalments over the vesting period subject to the achievements of the applicable performance targets and the Board's approval. Once vested, the share options are exercisable within 3 years from the vesting date.
2. The exercise price of the cancelled share options was HK\$1.09.

The number of share options available for grant under the scheme mandate of the New Scheme (taking into account the number of share options lapsed) was 118,166,737 and 121,200,069 as at 1 January 2025 and 30 June 2025 respectively. The Company did not grant any share options during the six months ended 30 June 2025.

Review of Interim Results

The audit committee of the Company has reviewed the interim results and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025.

Choice of Languages or Means of Receiving Corporate Communications

This interim report is now available in printed form in English and in Chinese, and on the website of the Company and on the website of the Stock Exchange.

If (i) Shareholders, who have received or chosen to receive or are deemed to have consented to receive the Company's corporate communications by electronic means, wish to receive printed copies or vice versa; or (ii) Shareholders for any reason have difficulty in receiving or gaining access to the Company's corporate communications, they may obtain printed copies free of charge by sending a request to the Company c/o the share registrar of the Company, Computershare Hong Kong Investor Services Limited, by post to 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or by email at ditgroup.ecom@computershare.com.hk.

For Shareholders who wish to change their choice of languages or means of receiving the Company's future corporate communications free of charge, they may at any time notify the Company by giving reasonable notice (of not less than 7 days) to the Company c/o the share registrar of the Company by post or by email.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
	Notes	(unaudited)	(unaudited)
Revenue	5	50,170	235,289
Cost of sales	8	(80,093)	(232,251)
Gross (loss)/profit		(29,923)	3,038
Government grants		401	5,470
Other income	6	533	493
Other losses — net	7	(16,433)	(11,757)
Selling and distribution expenses	8	(9,516)	(22,185)
Administrative expenses	8	(97,376)	(91,281)
Share of losses of associates		(10,701)	(1,887)
Net impairment losses on financial assets		(84,244)	(23,554)
Operation loss		(247,259)	(141,663)
Finance costs	9	(39,265)	(43,041)
Loss before income tax		(286,524)	(184,704)
Income tax expenses	10	—	(360)
Loss for the period		(286,524)	(185,064)
Loss for the period, attributable to:			
— Owners of the Company		(270,848)	(170,487)
— Non-controlling interests		(15,676)	(14,577)
		(286,524)	(185,064)
Losses per share attributable to owners of the Company			
(expressed in HK\$ cents per share)			
— Basic and diluted	12	(8.73)	(5.50)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss for the period	(286,524)	(185,064)
Other comprehensive income/(loss), which may be reclassified subsequently to profit or loss		
Exchange differences arising on translation of		
— Foreign operation	24,119	(15,274)
— Associates	2,092	(1,143)
Other comprehensive income/(loss) for the period, net of tax	26,211	(16,417)
Total comprehensive loss for the period	(260,313)	(201,481)
Total comprehensive loss for the period, attributable to		
— Owners of the Company	(244,464)	(186,969)
— Non-controlling interests	(15,849)	(14,512)
	(260,313)	(201,481)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
	Notes		
Non-current assets			
Property, plant and equipment	13	2,505,015	2,501,398
Right-of-use assets	14	819,078	816,220
Investment properties	15	–	15,463
Intangible assets		24,730	27,060
Deferred income tax assets	24	112,959	111,240
Investments in associates	16	134,367	142,976
Financial assets at fair value through profit or loss	17	13,159	12,959
		3,609,308	3,627,316
Current assets			
Inventories	18	106,947	106,547
Trade and other receivables and prepayments	19	1,511,446	1,722,876
Cash and cash equivalents	20	2,887	6,435
Restricted cash	21	25,097	26,819
		1,646,377	1,862,677
TOTAL ASSETS		5,255,685	5,489,993
Current liabilities			
Trade and other payables	22	1,615,174	1,612,263
Contract liabilities		48,411	45,188
Current income tax liabilities		38,975	38,819
Borrowings	23	880,615	959,656
		2,583,175	2,655,926
Net current liabilities		(936,798)	(793,249)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,672,510	2,834,067



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

At 30 June 2025

	Notes	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Non-current liabilities			
Amount due to a related party	27	79,993	79,993
Deferred income		1,675	1,649
Deferred income tax liabilities	24	14,109	13,895
Borrowings	23	817,834	719,994
		913,611	815,531
NET ASSETS		1,758,899	2,018,536
Capital and reserves			
Share capital (nominal value)	25	1,240,438	1,240,438
Reserves		(111,657)	132,131
Equity attributable to owners of the Company		1,128,781	1,372,569
Non-controlling interests	26	630,118	645,967
		1,758,899	2,018,536



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Contributed Exchange reserve	surplus reserve	Other reserve	Accumulated losses	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2025 (audited)	1,240,438	1,032,009	(176,444)	100,142	44,937	(868,513)	1,372,569	2,018,536
Loss for the period (unaudited)	-	-	-	-	-	(270,848)	(270,848)	(286,524)
Other comprehensive income/(loss):								
Currency translation difference								
(unaudited)	-	-	26,384	-	-	-	26,384	26,211
Total comprehensive income/(loss) for the period	-	-	26,384	-	-	(270,848)	(244,464)	(260,313)
Transactions with owners in their capacity as owners:								
Share-based compensation								
(unaudited)	-	-	-	-	676	-	676	676
Total transactions with owners	-	-	-	-	676	-	676	676
Balance at 30 June 2025 (unaudited)	1,240,438	1,032,009	(150,060)	100,142	45,613	(1,139,361)	1,128,781	1,758,899

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(Continued)*

For the six months ended 30 June 2025

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Exchange reserve	Contributed surplus reserve	Other reserve	Accumulated losses	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2024 (audited)	1,240,438	1,032,009	(131,028)	100,142	48,587	(409,670)	1,880,478	2,555,642
Loss for the period (unaudited)	-	-	-	-	-	(170,487)	(170,487)	(185,064)
Other comprehensive (loss)/income:								
Currency translation difference (unaudited)	-	-	(16,482)	-	-	-	(16,482)	(16,417)
Total comprehensive loss for the period	-	-	(16,482)	-	-	(170,487)	(186,969)	(201,481)
Transactions with owners in their capacity as owners:								
Share-based compensation (unaudited)	-	-	-	-	(4,672)	5,693	1,021	1,021
Total transactions with owners	-	-	-	-	(4,672)	5,693	1,021	1,021
Balance at 30 June 2024 (unaudited)	1,240,438	1,032,009	(147,510)	100,142	43,915	(574,464)	1,694,530	2,355,182



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Note	(unaudited)	(unaudited)
Operating activities		
Cash (used in)/generated from operations	(2,485)	35,807
Income tax paid	(454)	(2,143)
Net cash (used in)/generated from operating activities	(2,939)	33,664
Investing activities		
Proceeds from disposal of investment properties	9,078	225
Proceeds from disposal of equipment	3,757	2,512
Interest received	10	39
Proceeds from disposal of an associate	–	6,867
Purchase of property, plant and equipment	–	(1,825)
Net cash generated from investing activities	12,845	7,818
Financing activities		
Repayment of borrowings	(10,507)	(48,420)
Interest paid	(6,515)	(24,464)
Proceeds from borrowings	3,308	32,848
Payment of lease liabilities	–	(176)
Net cash used in financing activities	(13,714)	(40,212)
Net (decrease)/increase in cash and cash equivalents	(3,808)	1,270
Cash and cash equivalents at beginning of the period	6,435	9,286
Net exchange gains/(losses) on cash and cash equivalents	260	(77)
Cash and cash equivalents at end of the period	2,887	10,479



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements of the Group for the six months ended 30 June 2025 have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and investment properties, which are carried at fair value, and in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA.

Going concern basis

The Group incurred a loss of HK\$286,524,000 for the six months ended 30 June 2025 and as at 30 June 2025, the Group’s current liabilities exceeded its current assets by HK\$936,798,000. At the same date, the Group’s current borrowings amounted to HK\$880,615,000 while its cash and cash equivalents amounted to HK\$2,887,000 only.

For the six months ended 30 June 2025, the Group failed to repay multiple commercial bank borrowings amounted to RMB245,454,000 (equivalent to HK\$269,153,000) and interest payable amounted to RMB86,277,000 (equivalent to HK\$94,607,000) in total according to the scheduled repayment dates, each of which constituted an event of default (collectively, “Bank Borrowing Defaults”). Such events of default resulted in the mentioned borrowings amounted to RMB393,954,000 (equivalent to HK\$431,990,000) as at 30 June 2025 becoming immediately repayable if requested by the lenders, of which RMB189,972,000 (equivalent to HK\$208,314,000) represented bank borrowings with scheduled repayment dates within one year, while the remaining RMB203,981,000 (equivalent to HK\$223,676,000) represented the non-current portion with original maturity dates beyond 30 June 2025 that were reclassified as current liabilities.

As at 30 June 2025, there were various litigations against the Group which were claimed by certain suppliers and banks with respect to overdue payables and borrowings amounted to approximately RMB636,838,000 (equivalent to HK\$698,326,000) in total.

Such conditions indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern.

In view of such circumstances, the Directors have given careful considerations to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial sources to continue as a going concern. The following plans and measures are formulated to mitigate the liquidity pressure and to improve the financial position of the Group:

- (i) In respect of borrowings that are either overdue or in default (including the Bank Borrowing Defaults), the Group has been actively negotiating with the relevant lenders for the repayment, renewal and extension of the overdue borrowings. The Directors are confident to convince the relevant lenders not to exercise their rights to demand the Group’s immediate repayment of the borrowings prior to their scheduled contractual repayment dates. In the period ended 30 June 2025, the Group has successfully extended RMB237,520,000 (equivalent to HK\$260,453,000) of these defaulted borrowings and the Directors believe that the Group will be able to timely fulfil the repayment schedules under the extended borrowing agreements.
- (ii) The Group has also been negotiating with various banks and financial institutions to seek renewal, extension of the other existing borrowings and obtain new borrowings. The Directors believe that, given the Group’s long-term relationship with the banks and financial institutions and the availability of the Group’s long-term assets as collateral for the borrowings, the Group will be able to renew or extend existing borrowings and obtain new borrowings when needed.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. BASIS OF PREPARATION *(continued)*

Going concern basis *(continued)*

- (iii) In respect of the outstanding litigations for overdue payables to the Group's suppliers, the Group is negotiating with suppliers for revised repayment schedules and actively arranging settlement. Subsequent to 30 June 2025, certain overdue payables have been settled and the Directors are confident that the Group is able to reach revised repayment schedules with suppliers and settle the overdue payable accordingly.
- (iv) The Group will continue to implement measures to increase the sales of its prefabricated construction units and decoration and landscaping services, and to speed up the collection of trade receivables.
- (v) The Group will seek opportunities to dispose of certain assets and investments at reasonable prices to generate cash inflows and mitigate its liquidity pressure.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2025. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 30 June 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

- (i) the successful negotiations with the Group's lenders in respect of the borrowings that were either overdue or in default, so that the relevant lenders will not exercise their contractual rights to demand immediate repayment of the borrowings; the timely repayments according to the scheduled repayment dates as stipulated in the extended borrowing agreements;
- (ii) the successful negotiations with the banks and financial institutions for renewal of or extension for repayment of the other existing borrowings and the successful obtaining of additional new sources of financing as and when needed;
- (iii) the successful settlement of litigation against the Group which were claimed by suppliers for overdue payables; and
- (iv) the successful and timely implementation of the measures to increase the sales and speed up the collection of trade receivables, and the successful disposal of relevant assets and investments at reasonable prices and timely collection of the proceeds.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

2. MATERIAL ACCOUNTING POLICIES

The accounting policies applied in the preparation of the unaudited condensed consolidated financial statements are consistent with those of the annual consolidated financial statements of the Company for the year ended 31 December 2024, as described in those annual financial statements, and the adoption of the new and amended standards of HKFRS Accounting Standards effective for its accounting period beginning on 1 January 2025, which did not have any significant impact on the Group's financial statements and did not require retrospective adjustments.

There are no standards, amendments and interpretations to existing standards that are not effective and would be expected to result in any significant impact on the Group's financial positions and results of operations.

3. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions.

The Group is managed centrally and the Directors are of the view that the whole Group is one single business segment and hence no segment information is presented.

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Fair value estimation:

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been 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 or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

4.1.1 Disclosures of level in fair value hierarchy

The financial assets at fair value through profit or loss of the Group are measured at fair value by Level 3.

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
At 30 June 2025				
Unlisted equity instruments	—	—	13,159	13,159
At 31 December 2024				
Unlisted equity instruments	—	—	12,959	12,959

There was no transfer between level 1 and 2 during the period/year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(continued)*

4.1 Fair value estimation: *(continued)*

4.1.2 Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Level 3 fair value measurements

Description	At 30 June 2025 HK\$'000	At 31 December 2024 HK\$'000	Valuation technique(s)	Unobservable input(s)	Range of unobservable input(s)	Relationship of unobservable input(s) to fair value
Unlisted equity instruments	10,711	10,548	Income approach	Long-term growth rate	0% (2024: 0%)	The higher the long-term growth rate, the higher the fair value
				Discount rate	12.51% (2024: 12.51%)	The higher the discount rate, the lower the fair value
	2,448	2,411	Asset-based Approach	N/A	N/A (2024: N/A)	N/A

During the two years, there were no changes in the valuation techniques used.

4.1.3 Reconciliation of assets measured at fair value based on level 3

	At 30 June 2025 HK\$'000	At 31 December 2024 HK\$'000
Unlisted equity instruments		
At 1 January	12,959	40,289
Disposal	—	(12,052)
Total gains or losses recognised in profit or loss*	—	(14,801)
Currency translation difference	200	(477)
	13,159	12,959
 *Include gains or losses for assets held at end of reporting period	 —	 —

The total gains or losses recognised in profit or loss including those for assets held at end of reporting period are presented in other losses — net in the consolidated statement of profit or loss and other comprehensive income.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

5. REVENUE

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Revenue from sales of prefabricated construction units	42,488	201,093
Revenue from decoration and landscaping services	2,062	25,932
Rental income	5,620	4,124
Revenue from consulting services	–	3,489
Revenue from sales of prefabricated construction equipment	–	651
	50,170	235,289

6. OTHER INCOME

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest income on bank deposit	10	39
Others	523	454
	533	493

7. OTHER LOSSES – NET

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Losses on disposal of equipment	(9,130)	(8,727)
Net exchange losses	–	(9)
Fair value change on investment properties	(6,455)	–
Others	(848)	(3,021)
	(16,433)	(11,757)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

8. EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses and administrative expenses are analysed as follows:

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Raw materials and consumables used	17,679	128,876
Changes in inventories of finished goods, goods in transit and work in progress	3,992	(19,099)
Employee benefits expenses	44,777	63,485
Labour outsourcing	11,825	15,448
Subcontracting charges in relation to decoration and landscaping services	–	12,369
Depreciation	52,503	58,009
Amortisation of right-of-use assets	9,648	9,966
Transportation	5,738	14,467
Land use tax and value-added tax surcharges	10,040	10,548
Legal and professional fees	3,138	8,728
Entertainment and travelling expenses	1,564	3,358
Repairs and maintenance	19	179
Office expenses	197	1,381
Provision for inventories impairment	258	540
Others	25,607	37,462
Total of cost of sales, selling and distribution expenses and administrative expenses	186,985	345,717

9. FINANCE COSTS

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Interest expenses on borrowings	39,265	43,022
Finance charges on lease liabilities	–	19
	39,265	43,041

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

10. INCOME TAX EXPENSES

Hong Kong profits tax has not been provided for as the Group has no estimated assessable profits in Hong Kong for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil). Taxation on the People's Republic of China (the "PRC") profits is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.

Under the Corporate Income Tax ("CIT") Law of the PRC, the CIT rate applicable to the Group's subsidiaries established in mainland China is 25%, while certain subsidiaries are applicable to the preferential tax rate of 15%.

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current income tax — PRC corporate income tax	—	360

11. DIVIDEND

The Board of Directors did not recommend any payment of dividend in respect of the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

12. LOSSES PER SHARE

(a) Basic

Basic losses per share for the period is calculated by dividing the consolidated loss of the Group attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
Consolidated loss attributable to owners of the Company (HK\$'000)	(270,848)	(170,487)
Weighted average number of ordinary shares in issue ('000)	3,101,096	3,101,096
Basic losses per share (HK cents)	(8.73)	(5.50)

(b) Diluted

Diluted losses per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the six months ended 30 June 2025 and 2024, the calculation of diluted losses per share excluded the share options granted to directors, senior management and other employees on 30 November 2021, as their inclusion would have been antidilutive. Therefore, diluted losses per share for the six months ended 30 June 2025 and 2024 are equal to respective basic losses per share.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

13. PROPERTY, PLANT AND EQUIPMENT

	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Balance as at 1 January (audited)	2,501,398	2,733,620
Additions	1,001	7,726
Disposals	(13,716)	(14,130)
Depreciation charge	(52,503)	(58,009)
Currency translation differences	68,835	(26,207)
Balance as at 30 June (unaudited)	2,505,015	2,643,000

As at 30 June 2025, property, plant and equipment with a net book value of HK\$498.7 million (31 December 2024: HK\$491.1 million) were pledged as collateral for the Group's borrowings of HK\$223.9 million (31 December 2024: HK\$220.5 million). Among the collateral, property ownership certificate of the Group's buildings with a net book value of HK\$287.2 million (31 December 2024: HK\$282.8 million) is under China Minsheng Drawin Co., Ltd. These buildings were pledged as collateral for the Group's two bank borrowings of HK\$187.3 million (31 December 2024: three bank borrowings of HK\$184.4 million) which were secured by China Minsheng Drawin Co., Ltd.

For the six months ended 30 June 2025, depreciation of property, plant and equipment of approximately HK\$53.0 million (six months ended 30 June 2024: HK\$58.0 million) has been charged to cost of sales and administrative expenses in the condensed consolidated statement of profit or loss and other comprehensive income (note 7).

14. RIGHT-OF-USE ASSETS

	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Balance as at 1 January (audited)	816,220	865,938
Disposals	–	(4,654)
Amortisation charged into profit or loss	(9,648)	(9,966)
Currency translation differences	12,506	(6,104)
Balance as at 30 June (unaudited)	819,078	845,214

As at 30 June 2025, right-of-use assets with a net book value of HK\$340.6 million (31 December 2024: HK\$335.4 million) were pledged as collateral for the Group's borrowings of HK\$342.3 million (31 December 2024: HK\$337.1 million).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

15. INVESTMENT PROPERTIES

	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Balance as at 1 January (audited)	15,463	16,063
Fair value change	(6,455)	–
Disposals	(9,078)	(261)
Currency translation differences	70	(113)
Balance as at 30 June (unaudited)	–	15,689

Investment properties held by the Group are all commercial properties located in Shandong, the PRC.

16. INVESTMENT IN ASSOCIATES

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Share of net assets	134,367	142,976
Less: Provision for impairment	–	–
	134,367	142,976

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

16. INVESTMENT IN ASSOCIATES *(continued)*

As at 30 June 2025, the Group had indirect interests in the following associates:

Name	Place of incorporation and operation	Proportion of ownership interest		Issued share capital	Principal activities
		Held by the Company	Indirectly held		
Zhejiang Anju Drawin Technology Company Limited	China	–	49%	HK\$200,000,000	Construction industrialisation
Baoying Maizheng Drawin Intelligent Manufacture Technology Limited	China	–	20%	RMB100,000,000	Construction industrialisation
YMCI China Minsheng Kunming Technology Construction Limited	China	–	30%	RMB100,000,000	Construction industrialisation
Xiangxi China Minsheng Drawin Technology Company Limited	China	–	10%	RMB100,000,000	Construction industrialisation
Shaoguan Drawin Intelligent Manufacture Technology Limited	China	–	20%	RMB50,000,000	Construction industrialisation

The financial year end dates of the above associates are coterminous with that of the Group.

Commitments in respect of associates

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Commitments to pay up the subscription capital	16,766	16,511

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss include the following:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Non-current:		
— Unlisted equity instruments (note (a))	13,159	12,959

Note:

- (a) Equity instruments are related to investments in five unlisted companies in Mainland China which are measured at fair value.

18. INVENTORIES

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Raw materials	31,663	33,482
Finished goods	52,740	54,490
Goods in transit	9,731	8,238
Low value articles	13	14
Work in progress	16,448	14,154
Inventory provision	(3,648)	(3,831)
	106,947	106,547

Inventories recognised as cost of sales during the six months ended 30 June 2025 amounted to HK\$17.7 million (six months ended 30 June 2024: HK\$121.8 million).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Trade receivables — third parties	852,664	973,546
Trade receivables — related parties	704,583	722,479
Amounts due from related parties	93,082	68,916
Notes receivable	50,275	46,460
Prepayments — third parties	92,512	76,858
Prepayments — related parties	19	15,893
Land auction deposits	2,160	2,244
Value-added tax recoverable	532	9,493
Deposits	12,661	15,625
Receivables relating to disposal of subsidiaries	1,856	1,828
Others	61,486	81,700
	1,871,830	2,015,042
Less: Provision for impairment of trade and other receivables	(360,384)	(292,166)
	1,511,446	1,722,876

An ageing analysis of trade receivables and notes receivable as at 30 June 2025 and 31 December 2024, from the date when they were recognised, is as follows:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Less than 1 year	353,925	330,899
1–2 years	317,644	846,663
Over 2 years	935,953	564,923
	1,607,522	1,742,485

The maximum exposure to credit risk as at 30 June 2025 and 31 December 2024 is the carrying value of each class of receivables mentioned above.

As at 30 June 2025 and 31 December 2024, the fair values of trade and other receivables approximate their carrying amounts.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS *(continued)*

The carrying amounts of the Group's trade and other receivables and prepayments are denominated in the following currencies:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Hong Kong dollars ("HK\$")	325	3,418
Renminbi ("RMB")	1,511,121	1,719,458
	1,511,446	1,722,876

The creation of provision for impairment of receivables has been included in "Net impairment losses on financial assets" in the condensed consolidated statement of profit or loss and other comprehensive income.

20. CASH AND CASH EQUIVALENTS

Financial assets at fair value through profit or loss include the following:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Cash at bank and on hand		
— Denominated in HK\$	948	824
— Denominated in RMB	1,939	5,611
	2,887	6,435

21. RESTRICTED CASH

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Restricted cash		
— Frozen for litigation (note (a))	25,097	26,819

Note:

- (a) On 30 June 2025, the deposit of HK\$25.1 million (31 December 2024: HK\$26.8 million) was frozen due to litigation.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

22. TRADE AND OTHER PAYABLES

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Trade payables — third parties	1,047,032	1,083,001
Trade payables — related parties	16,072	16,692
Accrued tax payable	122,583	135,738
Accrued payable for property, plant and equipment construction — third parties	103,969	99,956
Accrued payable for property, plant and equipment construction — related parties	40,441	39,987
Amounts due to related parties	94,522	92,221
Accrued payroll	35,611	30,035
Deposits	12,220	9,342
Interest payable	94,607	61,972
Others	48,117	43,319
	1,615,174	1,612,263

An ageing analysis of trade payables as at 30 June 2025 and 31 December 2024, from the date when they were incurred, is as follows:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Less than 1 year	72,958	247,893
Over 1 year	990,146	851,800
	1,063,104	1,099,693

As at 30 June 2025 and 31 December 2024, the fair values of trade and other payables approximate their carrying amounts.

As at 30 June 2025 and 31 December 2024, the carrying amounts of the trade and other payables are primarily denominated in RMB.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

23. BORROWINGS

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Non-current, secured:		
— Bank borrowings	981,041	1,056,046
Non-current, unsecured:		
— Bank borrowings	148,478	21,648
	1,129,519	1,077,694
Less: Current portion of non-current borrowings	(311,685)	(357,700)
Non-current, total	817,834	719,994
Current, secured:		
— Bank borrowings	511,560	419,391
Current, unsecured:		
— Bank borrowings	57,370	182,565
	568,930	601,956
Current portion of non-current borrowings	311,685	357,700
Current, total	880,615	959,656

Notes:

- (a) These bank borrowings of the Group are secured by property, plant and equipment (note 12), right-of-use assets (note 13) and restricted cash deposit of the Group and/or guaranteed by subsidiaries of the Company or related parties (note 26(c)).
- (b) The borrowings are all denominated in RMB and their fair values approximate their carrying amounts.
- (c) For the six months ended 30 June 2025, the Group failed to repay multiple commercial bank borrowings amounted to RMB245,454,000 (equivalent to HK\$269,153,000) and interest payable amounted to RMB86,277,000 (equivalent to HK\$94,607,000) in total according to the scheduled repayment dates, each of which constituted an event of default. Such events of default resulted in the mentioned borrowings amounted to RMB393,954,000 (equivalent to HK\$431,990,000) as at 30 June 2025 becoming immediately repayable if requested by the lenders, of which RMB189,972,000 (equivalent to HK\$208,314,000) represented bank borrowings with scheduled repayment dates within one year, while the remaining RMB203,981,000 (equivalent to HK\$223,676,000) represented the non-current portion with original maturity dates beyond 30 June 2025 that were reclassified as current liabilities.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

24. DEFERRED INCOME TAX

The gross movement in deferred income tax assets and liabilities for the six months ended 30 June 2025 and six months ended 30 June 2024, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

Deferred income tax assets

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Balance as at 1 January (audited)	111,240	113,673
Currency translation differences	1,719	(805)
Balance as at 30 June (unaudited)	112,959	112,868

Deferred income tax liabilities

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Balance as at 1 January (audited)	13,895	14,955
Currency translation differences	214	(200)
Balance as at 30 June (unaudited)	14,109	14,755

25. SHARE CAPITAL

Authorised shares

	Number of authorised shares
As at 1 January 2024 and 31 December 2024, 1 January 2025 and 30 June 2025	6,250,000,000

Issued shares

	Number of issued shares (at HK\$0.4 each)	Ordinary shares (nominal value) HK\$'000
As at 1 January 2024 and 31 December 2024, 1 January 2025 and 30 June 2025	3,101,095,730	1,240,438

All the shares issued rank pari passu in all respects.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

26. NON-CONTROLLING INTERESTS

The non-controlling interests of the Group are as follows:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Changsha DIT Limited ("DIT Changsha")	533,555	540,900
Qingdao Shi Jiaozhou DIT Limited	63,713	66,622
Nantong China Minsheng DIT Limited	26,720	32,139
Nanjing DIT Limited	6,130	6,306
	630,118	645,967

27. RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

Name	Relationship
Jianye Holdings Limited*	Controlled by the same ultimate controlling shareholder
Drawin Intelligent Manufacture Technology Industry Group Limited*	Controlled by the same ultimate controlling shareholder
Drawin Intelligent Construction Technology Group Co., Ltd.*	Controlled by the same ultimate controlling shareholder
China Minsheng Drawin Culture Co., Ltd.*	Controlled by the same ultimate controlling shareholder
Jiayao Global Investments Limited ("Jiayao")*	Controlled by the same ultimate controlling shareholder
Drawin Intelligent Construction Design Company Limited*	Controlled by the same ultimate controlling shareholder
China Minsheng Drawin Co., Ltd.*	Controlled by the same ultimate controlling shareholder
Hunan China Minsheng Drawin Green Construction Investment Limited*	Controlled by the same ultimate controlling shareholder

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

27. RELATED PARTY TRANSACTIONS (continued)

(a) Name and relationship with related parties (continued)

Name	Relationship
Drawin Intelligent Construction New Material Company Limited.*	Controlled by the same ultimate controlling shareholder
Central China Real Estate Limited and its affiliate companies*	Controlled by the same ultimate controlling shareholder
YMCI China Minsheng Kunming Technology Group Co., Ltd.*	An associate company of the Group
Zhejiang Anju Drawin Technology Company Limited*	An associate company of the Group
Xiangxi China Minsheng Drawin Technology Company Limited*	An associate company of the Group
Henan Drawin Labour Center Construction Development Co., Ltd.*	Controlled by the same ultimate controlling shareholder
Henan Drawin Construction Engineering Company Limited*	Controlled by the same ultimate controlling shareholder
Henan Drawin Intelligent Manufacture Technology Industry Group Limited*	Controlled by the same ultimate controlling shareholder
Henan Drawin Landscaping Construction Co., Ltd.*	Controlled by the same ultimate controlling shareholder

* For identification purpose only

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

27. RELATED PARTY TRANSACTIONS (continued)

(b) Transactions with related parties

During the six months ended 30 June 2025 and 2024, the Group has the following related party transactions:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Supply of decoration and landscaping services by the Group		
Central China Real Estate Limited and its Affiliate companies	–	25,636
Supply of prefabricated construction components and products by the Group, including financing component recognized in other income		
Drawin Intelligent Construction Technology Group Co., Ltd.	–	987
Provision of labor services by a related party		
Henan Drawin Labour Center Construction Development Co., Ltd.	–	707
Leasing of properties to related parties		
Drawin Intelligent Construction Technology Group Co., Ltd.	–	691
Drawin Intelligent Construction New Material Company Limited	227	–
	227	691
Payment on behalf of related parties by the Group		
China Minsheng Drawin Co., Ltd.	447	–
Drawin Intelligent Construction Design Co., Ltd.	243	275
Henan Drawin Landscaping Construction Co., Ltd.	–	25,094
Central China New Life Limited	–	16,397
Drawin Intelligent Construction New Material Company Limited	–	4,258
Henan Drawin Intelligent Manufacture Technology Industry Group Limited	–	291
	690	46,315
Payment on behalf of the Group by related parties		
Drawin Intelligent Construction Design Co., Ltd.	33	–
Central China New Life Limited	–	14,306
Henan Drawin Landscaping Construction Co., Ltd.	–	12,033
Drawin Intelligent Construction New Material Company Limited	–	4,336
China Minsheng Drawin Culture Co., Ltd.	–	77
Drawin Intelligent Construction Technology Group Co., Ltd.	–	67
	33	30,819

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

27. RELATED PARTY TRANSACTIONS (continued)

(c) Related-party balances

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Amounts due from related parties		
Central China Real Estate Limited and its Affiliate companies	417,391	422,316
Drawin Intelligent Construction Technology Group Co., Ltd.	212,814	227,077
Henan Drawin Landscaping Construction Co., Ltd	41,333	39,198
Drawin Intelligent Construction Design Company Limited	30,520	29,845
Drawin Intelligent Manufacture Technology Industry Group Limited	22,381	21,430
Drawin Intelligent Construction New Material Company Limited	14,911	14,434
Xiangxi China Minsheng Drawin Technology Company Limited	13,992	13,779
China Minsheng Drawin Co., Ltd.	13,389	12,740
Henan Drawin Labour Center Construction Development Co., Ltd.*	13,176	12,976
YMCI China Minsheng Kunming Technology Group Co., Ltd.	6,994	6,888
Henan Drawin Construction Engineering Company Limited*	4,527	1,561
Henan Drawin Intelligent Manufacture Technology Industry Group Limited	1,532	502
Zhejiang Anju Drawin Technology Company Limited	1,512	1,489
Central China Management Company Limited	1,097	1,080
Hunan China Minsheng Drawin Green Construction Investment Limited	1,018	1,003
China Minsheng Drawin Culture Co., Ltd.	975	960
Jianye Holdings Limited	110	–
Central China New Life Limited	11	11
Henan Drawin Construction Decoration Engineering Co., Ltd.	1	1
	797,684	807,290

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

27. RELATED PARTY TRANSACTIONS (continued)

(c) Related-party balances (continued)

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Amounts due to related parties		
Jiayao Global Investments Limited	79,993	79,993
Drawin Intelligent Construction Technology Group Co., Ltd.	69,933	69,031
Drawin Intelligent Manufacture Technology Industry Group Limited	38,822	38,320
Henan Drawin Intelligent Manufacture Technology Industry Group Limited	22,863	22,521
Central China Real Estate Limited and its affiliate companies	12,327	12,746
China Minsheng Drawin Co., Ltd.	9,711	9,563
Zhejiang Anju Drawin Technology Company Limited	4,998	4,922
Henan Drawin Landscaping Construction Co., Ltd.	4,890	5,002
Henan Drawin Labour Center Construction Development Co., Ltd.*	3,518	3,465
Drawin Intelligent Construction Design Company Limited	1,707	1,714
Henan Drawin Construction Engineering Company Limited*	617	295
Central China New Life Limited	148	146
Henan Dongzhu Zhuyou Ecological and Environmental Protection Co., Ltd	91	90
Drawin Intelligent Construction New Material Company Limited	67	65
China Minsheng Drawin Culture Co., Ltd.	53	52
	249,738	247,925

All amounts due from or due to related parties are unsecured, bear no interest and are repayable on demand or within one year.

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Guarantee/security for borrowings provided by the related party		
Drawin Intelligent Manufacture Technology Industry Group Limited	737,979	729,816
Drawin Intelligent Construction Technology Group Co., Ltd.	438,621	431,947
China Minsheng Drawin Co., Ltd.	287,219	282,849
	1,463,819	1,444,612



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

27. RELATED PARTY TRANSACTIONS *(continued)*

(d) Key management compensation

Key management includes directors (executive and non-executive), chief financial officer, vice presidents and assistant presidents. The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Salaries and other short-term employee benefits	1,625	2,225
Share-based compensation	118	175
	1,743	2,400