

DAIDO

(Incorporated in Bermuda and its members' liability is limited)
(在百慕達成立為法團，而其成員的法律責任是有限度的)

Stock Code 股份代號：00544

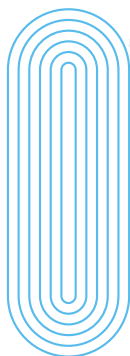
2025 中期報告 INTERIM REPORT

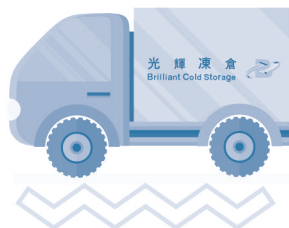


DAIDO

GROUP LIMITED

大同集團有限公司

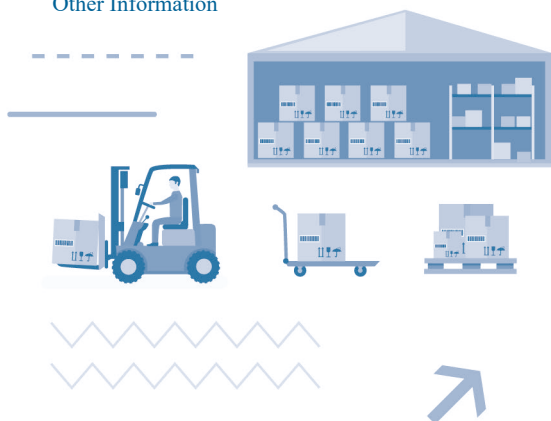




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CORPORATE INFORMATION



BOARD OF DIRECTORS

Executive Directors

Mr. He Xinyu (*appointed on 8 August 2025*)

Mr. Fung Pak Kei (*Chief Executive Officer*)
(*resigned on 8 September 2025*)

Mr. Ho Hon Chung, Ivan
(*Acting Chief Executive Officer*)
(*resigned on 30 May 2025*)

Non-executive Director

Ms. Kwan Nga Chung

Mr. Au Tat Wai (*resigned on 30 May 2025*)

Mr. Fung Wa Ko (*resigned on 30 May 2025*)

Independent Non-executive Directors

Mr. Leung Chi Hung
(*appointed as Lead Independent*
Non-executive Director on 30 May 2025)

Mr. Lo Chi Wang

Ms. Li Dan (*appointed on 8 August 2025*)

Mr. Tse Yuen Ming
(*resigned on 8 August 2025*)

COMMITTEES

Audit Committee

Mr. Leung Chi Hung (*Chairman*)

Mr. Lo Chi Wang

Ms. Li Dan (*appointed on 8 August 2025*)

Mr. Tse Yuen Ming
(*resigned on 8 August 2025*)

Nomination Committee

Ms. Li Dan
(*appointed as Chairman on 8 August 2025*)

Mr. Leung Chi Hung

Mr. Lo Chi Wang

Ms. Kwan Nga Chung
(*appointed on 30 May 2025*)

Mr. Tse Yuen Ming
(*resigned on 8 August 2025*)

Remuneration Committee

Mr. Lo Chi Wang (*Chairman*)

Mr. Leung Chi Hung

Ms. Li Dan (*appointed on 8 August 2025*)

Mr. Tse Yuen Ming
(*resigned on 8 August 2025*)

COMPANY SECRETARY

Ms. Yeung Pui Yee Holly
(*appointed on 1 September 2025*)

Mr. Cheung Hoi Kin
(*resigned on 1 September 2025*)

WEBSITE

www.irasia.com/listco/hk/daido/index.htm

www.daidohk.com

REGISTERED OFFICE

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Hamilton HM 11, Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Kowloon Commerce Centre

No. 51 Kwai Cheong Road

Kwai Chung, New Territories

Hong Kong

AUDITOR

Forvis Mazars CPA Limited

Certified Public Accountants and

Registered Public Interest Entity Auditor

42nd Floor, Central Plaza

18 Harbour Road, Wanchai

Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

Bank of Communications (Hong Kong) Limited

Nanyang Commercial Bank, Limited

The Bank of East Asia, Limited

The Hongkong and Shanghai Banking
Corporation Limited

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited

Suites 3301–04, 33/F.

Two Chinachem Exchange Square

338 King's Road

North Point

Hong Kong

STOCK CODE

00544





OVERALL RESULTS

For the six months ended 30 June 2025, the Group's total revenue amounted to approximately HK\$76.6 million, representing a decrease of about 38.6%, compared to approximately HK\$124.7 million from the corresponding period of last year.

For the six months ended 30 June 2025, the Group recorded a loss attributable to the equity holders of the Company of approximately HK\$36.9 million, compared to the loss of approximately HK\$19.8 million recorded in the corresponding period of last year, representing an increase of loss about 86.4%.

The Board considers that the loss was primarily attributable to (i) the decrease in revenue from the cold storage and related services business by approximately 33.2%; (ii) the decrease in revenue from the trading and sales of food and beverage business in Mainland China by approximately 61.8%, the decrease in revenue as mentioned in (i) and (ii) was mainly resulting from the challenging macroeconomic conditions, thereby weakening the demand for the Group's products and services; and (iii) the aggregate accounting impacts of lease agreements of cold storage warehouse being extended at the end of 2024.

REVIEW OF OPERATING SEGMENTS

The Group is mainly engaged in cold storage and related services business, trading and sales of food and beverage business, and investment holding.

Cold Storage and Logistics

This segment faced headwinds from a broader economic environment in Hong Kong, where real GDP increased by 3.1% in the first half of 2025, compared with the increase of 2.5% in the fourth quarter of 2024, according to data from the Hong Kong Census and Statistics Department. Despite this overall expansion, consumer behaviour has shifted notably, with many Hong Kong local consumption opting for cross-border purchases in Mainland China due to competitive pricing, variety, and affordability. This trend has impacted local supermarkets, restaurants, retailers and wholesalers, which are the Group's primary clients by reducing domestic demand for stored goods and logistics services.



REVIEW OF OPERATING SEGMENTS (continued)

Cold Storage and Logistics (continued)

The segment experienced some customer attrition amid these conditions, as clients with fewer stock sizes consolidated operations or sought lower-cost alternatives to cope with squeezed margins. Increased competition driven by new entrants and/or market consolidation, prompted selective price adjustments to maintain market share. However, the Group preserved its competitive edge through superior service offerings, such as timely delivery, customised storage solutions, and enhanced hygiene protocols to ensure services integrity.

To mitigate these challenges, the Group optimised its warehouse operations, including the relocation of activities from the expired Tsing Yi warehouse to the upgrading Kwai Hei Street facility. This move not only improved overall efficiency but also generated cost savings through better resource allocation. Workforce adjustments were implemented to align staffing with current demand levels, while maintaining strong relationships with major clients in the food and beverage industry. Management remains focused on leveraging the Group's strategic locations in Kwai Chung to adapt to market dynamics and capture emerging opportunities in a gradually recovering sector.

Trading and Sales of Food and Beverage Products

The trading business in Mainland China continued to operate under a refined model, emphasising higher-margin wholesale channels and select retail products, similar to that of the prior year. This strategic shift involved streamlining distribution networks to focus on offerings with a higher profit while phasing out lower-margin items, allowing the Group to better respond to market fluctuations.

Mainland China's economy showed positive momentum, with GDP growth at 5.3% in the first half of 2025 per data from the National Bureau of Statistics, supported by steady industrial output and export resilience. However, ongoing property sector challenges and cautious consumer spending led to intensified competition in the food trading space, with market consolidation contributing to a shrinkage in overall demand for certain products.





REVIEW OF OPERATING SEGMENTS (continued)

Trading and Sales of Food and Beverage Products (continued)

Despite these factors, the Group maintained strong ties with reputable supermarket brands and expanded its convenience store network, which helped stabilise operations and foster long-term partnerships. Management swiftly adapted by implementing stringent cost controls, improving sourcing efficiencies, and prioritising premium imported products to meet evolving consumer preferences. By exploring cross-border synergies with the Hong Kong operations, such as integrated supply chains, the Group aims to build resilience and capitalise on potential demand upticks from improving urban consumption trends and government stimulus measures.

PROSPECTS

Looking ahead, the Group is cautiously optimistic about the second half of 2025 and beyond, despite facing the persistent economic uncertainties in Hong Kong and Mainland China. Recent material financing events, including the subscription of new shares and convertible bonds announced on 21 April 2025 and completed on 21 and 22 July 2025, have injected fresh capital, enabling the settlement of outstanding debts and bolstering liquidity. This financial reinforcement, coupled with the appointment of the new Executive Director with expertise in capital markets and fund-raising following board changes, is expected to introduce innovative perspectives to drive strategic growth.

Cold Storage and Logistics

In Hong Kong, the cold storage and logistics segment stands to benefit from a rebound in tourism, with visitor arrivals surging 12% year-on-year to over 24 million in the first half of 2025. This momentum, the highest quarterly growth since post-pandemic recovery is fuelled by international events like concerts and exhibitions, alongside government initiatives such as the extended “Hello Hong Kong” campaign and the allocation of over HK\$1.23 million to the Hong Kong Tourism Board for promoting the city as a mega-events capital, targeting high-value visitors from the Middle East and ASEAN regions. Moreover, the Development Blueprint for Hong Kong’s Tourism Industry 2.0, with its 133 measures focused on product development and cultural tourism, is expected to further stimulate consumer spending in the food and beverage sector, creating indirect demand for the Group’s specialised services. The Group plans to diversify its client base, leveraging expanded capacity at the Kwai Hei Street warehouse to offer value-added solutions like integrated supply chain management.

Furthermore, we are seeking suitable strategic partners to establish a joint venture which is anticipated to fuel the overall development of the Group.



PROSPECTS (continued)

Trading and Sales of Food and Beverage Products

For the trading segment in Mainland China, the Group will continue optimising its product mix and distribution channels, including sourcing high-margin imports for cross-border sales. Mainland China's economy demonstrated resilience with 5.3% GDP growth in the first half of 2025, supported by steady industrial output and export strength, while the International Monetary Fund ("IMF") has upgraded its full-year forecast to 4.8%. Policies like the Chinese government's consumption stimulus measures (for example, subsidies for green and smart appliances announced in March 2025) could enhance retail sentiment. These policies present exciting opportunities for the Group to explore expanding into convenience stores and online retail, tapping into urban consumption trends and potentially boosting margins through innovative, eco-friendly product lines.

The Group is also considering a premiumisation strategy to shift towards premium imported products, health-focused items, and niche categories as specified by our existing and potential customers and leverage consumer data to tailor offerings by region and demographic.

Overall, while challenges such as geopolitical tensions and inflationary pressures persist, the Group's enhanced financial stability, operational efficiencies, and adaptive strategies position it well to seize recovery opportunities. Management is actively monitoring market trends and exploring partnerships to foster sustainable growth, aiming to transition from stabilisation to expansion in the coming periods.





FINANCIAL REVIEW

Liquidity and financial resources

At 30 June 2025, the Group had bank and cash balances of approximately HK\$21.6 million (31 December 2024: approximately HK\$59.8 million), which was denominated in Hong Kong dollars (“HK\$”) and Renminbi (“RMB”) as to approximately 95.0% and 5.0% (31 December 2024: approximately 92.1% and 7.9%), respectively. The decline was principally attributable to the settlement of bonds payables of HK\$15 million and the loss recognised during the six months ended 30 June 2025.

The gearing ratio, measured as total borrowings (excluded lease liabilities) over total deficits was approximately -176.3% as at 30 June 2025 (31 December 2024: approximately -524.6%). The decrease was primarily attributable to the settlement of bonds payables during the six months ended 30 June 2025, as well as an increase in the total deficits.

In 2014 and 2015, the Company issued bonds with aggregate principal amount of HK\$100 million (the “Original Bonds”). The bonds bear interest at 6% per annum and payable annually in arrears, up to the maturity date of the relevant bonds.

In 2023 and 2024, the Company agreed to issue the bonds (the “2023 Bonds”) and (the “2024 Bonds”) and bondholders agreed to accept the 2023 Bonds and 2024 Bonds in place of the Original Bonds in the principal amount of HK\$40 million and HK\$60 million, respectively.

Certain of the 2023 Bonds and 2024 Bonds were matured and the Company has settled in the principal amount of HK\$15 million (year ended 31 December 2024: HK\$15 million) during the six months ended 30 June 2025. At 30 June 2025, the aggregate principal amount of bonds remaining outstanding was HK\$70 million (31 December 2024: HK\$85 million). At 30 June 2025, the maturity dates are ranging from December 2025 to May 2026 (31 December 2024: February 2025 to January 2026).

At 30 June 2025, the Group had a bank borrowing of HK\$35 million (31 December 2024: HK\$35 million) denominated in HK\$. The bank borrowing matured in April 2025 and carried a fixed interest rate of 5% per annum. In April 2025, the Group extended the maturity date of the bank borrowing to July 2025 at an interest rate of 13% per annum. Subsequent to the end of the reporting period until the date of this interim report, the bank borrowing of HK\$35 million was fully repaid.



MANAGEMENT DISCUSSION AND ANALYSIS



FINANCIAL REVIEW (continued)

Liquidity and financial resources (continued)

During the six months ended 30 June 2025, the Group's capital expenditure was mainly financed by internal resources. Going forward, we intend to satisfy our liquidity requirements by using a combination of cash generated from operating activities, other funds raised from the capital markets from time to time, and the net proceeds received from the subscription of new shares and convertible bonds in July 2025.

Treasury policies

The Group adopts conservative treasury policies and has tight controls over its cash management. The Group's bank and cash balances are held mainly in HK\$.

Exposure to fluctuations in exchange rates and related hedges

Monetary assets and liabilities of the Group are principally denominated in HK\$. The directors consider the Group's exposure to exchange rate risks to be low. The Group may have relatively high exposure to exchange rate risk when more trading and sales of food and beverage business to be operated in Mainland China. The directors will review the exchange rate risks faced by the Group periodically.

During the six months ended 30 June 2025, the Group did not have any material foreign exchange exposure and had not used any financial instruments for hedging purpose.

Share capital structure

At 30 June 2025, the total issued share capital of the Company was HK\$2,901,104 (31 December 2024: HK\$2,901,104) divided into 290,110,400 ordinary shares (31 December 2024: 290,110,400 ordinary shares) with a par value of HK\$0.01 each.

On 14 July 2025, an ordinary resolution of the Company was passed at the special general meeting to consolidate every ten (10) issued and unissued existing shares in the share capital of the Company into one (1) consolidated share. The share consolidation became effective on 16 July 2025 and 290,110,400 shares in the issued share capital of the Company were consolidated into 29,011,040 consolidated shares, with a par value of HK\$0.10 each.





FINANCIAL REVIEW (continued)

Material acquisitions and disposals of subsidiaries, associates and joint ventures

During the six months ended 30 June 2025, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures which is same as the corresponding period of last year.

Charges on assets

At 30 June 2025, a bank provides the Group with banking facilities which represented guarantees provided in favour of the Group's cold storage business to the extent of HK\$3.5 million (31 December 2024: HK\$3.5 million) and are secured by bank deposits amounting to HK\$1.7 million (31 December 2024: HK\$1.7 million). At 30 June 2025, the utilised banking facilities in this regard was approximately HK\$1.4 million (31 December 2024: approximately HK\$1.4 million).

At 30 June 2025, the lease liabilities of the Group's cold storage warehouse were secured or guaranteed by the cash deposit, corporate guarantee provided by the Company, floating charges and share charges provided by subsidiaries of the Group, which are aggregately in approximately HK\$107.0 million (31 December 2024: approximately HK\$107.0 million).

At 30 June 2025, the carrying amount of motor vehicles of approximately HK\$0.6 million (31 December 2024: approximately HK\$0.7 million) were pledged as the lessors' charge over the leased assets to secure the lease liabilities of approximately HK\$0.6 million (31 December 2024: approximately HK\$0.7 million).

Future plans for material investments or capital assets

At 30 June 2025, the Group did not have any concrete future plans for material investments or capital assets.

Contingent liabilities

At 30 June 2025, the Group did not have any contingent liabilities (31 December 2024: nil).



EMPLOYMENT AND REMUNERATION POLICY

As of 30 June 2025, the Group combining the total number of full-time employees in Hong Kong and Mainland China employed approximately 130 and 20 respectively (30 June 2024: approximately 160 Hong Kong employees and 30 Mainland China employees), reflecting targeted workforce adjustments to align with business needs amid economic pressures. Remuneration policies remain competitive, with packages comprising basic salaries, performance-based bonuses, contributions to Mandatory Provident Fund, medical insurance, meal allowances and professional tuition/training subsidies designed to attract and retain talent. Total staff related costs for the six months ended 30 June 2025 amounted to approximately HK\$29,425,000 (six months ended 30 June 2024: approximately HK\$33,696,000).

In response to the challenging environment, the Group implemented extensive cost-control measures. These changes have not materially impacted day-to-day operations, as they focused on streamlining non-core roles while preserving essential expertise in cold storage and trading.

To motivate employees, the Group is considering extending its share option scheme currently limited to senior management to include middle management, fostering alignment with long-term shareholder value. Ongoing training programs emphasise skills in cold storage and supply chain innovation, ensuring the workforce is equipped for future growth. The Group remains committed to a supportive work environment, prioritising employee well-being and professional development.



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

SIX MONTHS ENDED 30 JUNE 2025



		Six months ended 30 June	
		2025	2024
	Notes	HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Revenue	4		
– Provision of cold storage and related services		67,484	100,998
– Trading and sales of food and beverage		9,017	23,612
– Others		124	127
Total revenue		76,625	124,737
Cost of revenue		(72,774)	(119,677)
Gross profit		3,851	5,060
Other income	5	2,997	6,169
Other gains (losses), net	6	68	(76)
Reversal of (Loss allowances) on trade and other receivables, net		132	(132)
Selling and distribution expenses		(4,646)	(6,013)
Administrative expenses		(18,095)	(18,004)
Finance costs	7	(21,237)	(6,768)
Loss before tax	8	(36,930)	(19,764)
Income tax expenses	9	–	–
Loss for the period attributable to equity holders of the Company		(36,930)	(19,764)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

SIX MONTHS ENDED 30 JUNE 2025

	Notes	Six months ended 30 June	
		2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Other comprehensive income (losses)			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		319	(316)
<i>Item that may not be reclassified subsequently to profit or loss:</i>			
Remeasurement of defined benefit plan obligations		(63)	—
Total other comprehensive income (losses)		256	(316)
Total comprehensive losses for the period attributable to equity holders of the Company		(36,674)	(20,080)
Loss per share attributable to equity holders of the Company	11		(restated)
Basic		(HK\$1.27)	(HK\$0.68)
Diluted		(HK\$1.27)	(HK\$0.68)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025



		At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
	Notes		
Non-current assets			
Property, plant and equipment	12	3,187	3,484
Right-of-use assets	13	443,266	477,303
Goodwill		68	68
Rental deposits paid		13,104	12,618
Pledged bank deposits	14	1,700	1,700
		461,325	495,173
Current assets			
Inventories		841	578
Trade and other receivables, deposits and prepayments	15	26,048	32,816
Bank and cash balances		21,555	59,765
		48,444	93,159
Current liabilities			
Trade and other payables	16	10,179	10,163
Contract liabilities		4,567	5,259
Defined benefit plan obligations		3,228	3,333
Lease liabilities	17	54,563	52,960
Bonds payables	18	70,000	75,000
Bank borrowing		35,000	35,000
		177,537	181,715
Net current liabilities		(129,093)	(88,556)
Total assets less current liabilities		332,232	406,617

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025

		At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
	Notes		
Non-current liabilities			
Lease liabilities	17	391,781	419,492
Bonds payables	18	—	10,000
		391,781	429,492
NET LIABILITIES		(59,549)	(22,875)
Capital and reserves			
Share capital	19	2,901	2,901
Reserves		(62,450)	(25,776)
TOTAL DEFICITS		(59,549)	(22,875)



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SIX MONTHS ENDED 30 JUNE 2025



	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Exchange reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2024 (restated)*	2,901	381,060	66,094	332	3,944	(436,600)	17,731
Loss for the period	–	–	–	–	–	(19,764)	(19,764)
Other comprehensive losses:							
<i>Item that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations	–	–	–	(316)	–	–	(316)
Total other comprehensive losses	–	–	–	(316)	–	–	(316)
Total comprehensive losses for the period	–	–	–	(316)	–	(19,764)	(20,080)
At 30 June 2024 (unaudited)	2,901	381,060	66,094	16	3,944	(456,364)	(2,349)

* Background and details of restatement can be found in 2024 Annual Report principal accounting policies Note 3.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SIX MONTHS ENDED 30 JUNE 2025

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Exchange reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2025 (audited)	2,901	381,060	66,094	(26)	3,944	(476,848)	(22,875)
Loss for the period	-	-	-	-	-	(36,930)	(36,930)
Other comprehensive income (losses):							
<i>Item that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations	-	-	-	319	-	-	319
<i>Item that may not be reclassified subsequently to profit or loss</i>							
Remeasurement of defined benefit plan obligations	-	-	-	-	-	(63)	(63)
Total other comprehensive income (losses) for the period	-	-	-	319	-	(63)	256
Total comprehensive income (losses) for the period	-	-	-	319	-	(36,993)	(36,674)
At 30 June 2025 (unaudited)	2,901	381,060	66,094	293	3,944	(513,841)	(59,549)



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

SIX MONTHS ENDED 30 JUNE 2025



	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash from operating activities	24,832	31,176
INVESTING ACTIVITIES		
Additions in property, plant and equipment	(316)	(740)
Interest received	26	37
Proceeds from disposal of property, plant and equipment	110	19
Net cash used in investing activities	(180)	(684)
FINANCING ACTIVITIES		
Repayments of bonds payables	(15,000)	–
Repayments of lease liabilities	(26,127)	(38,713)
Interest paid	(22,049)	(7,368)
Net cash used in financing activities	(63,176)	(46,081)
Net decrease in cash and cash equivalents	(38,524)	(15,589)
Cash and cash equivalents at the beginning of the reporting period	59,765	61,952
Effect on exchange rate changes	314	(309)
Cash and cash equivalents at the end of the reporting period, represented by bank and cash balances	21,555	46,054



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

In preparing the condensed consolidated financial statements, the directors of the Company (the “Directors”) have given careful consideration of the future liquidity of the Group in light of the fact that the Group incurred a net loss of approximately HK\$36,930,000 for the six months ended 30 June 2025 and, as at that date, the Group’s current liabilities exceed its current assets of approximately HK\$129,093,000 and its total liabilities exceed its total assets of approximately HK\$59,549,000 as at 30 June 2025. The Group is exposed to liquidity risk if it is not able to raise sufficient funds to meet its financial obligations. The Directors considered that the net current liabilities and net liabilities positions of the Group as of 30 June 2025 were primarily due to the bonds payables amounted to HK\$70,000,000 and a bank borrowing amounted to HK\$35,000,000 which are due for repayment within twelve months after 30 June 2025. Subsequent to the end of the reporting period until the date of this interim report, the bank borrowing of HK\$35,000,000 was fully repaid.

Having regard to the cash flow projection of the Group, which covers a period of not less than twelve months from 30 June 2025, the Directors are of the opinion that the Group will have sufficient working capital to meet its cash flow requirements in the next twelve months taking into account the internal resources available, repayment schedule of bonds payables, implementing measures to tighten cost controls over various expenses, the cash generated from operation and new financing arrangement. The Directors are satisfied that it is appropriate to prepare these condensed consolidated financial statements on a going concern basis.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



2. PRINCIPAL ACCOUNTING POLICIES

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

Other than additional/changes in accounting policies resulting from adoption of new/revised to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2024.

Adoption of new/revised to HKFRSs

In the current interim period, the Group has adopted the following new/revised to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The adoption of the new/revised to HKFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

The Group has not early adopted any new/revised HKFRSs that have been issued but are not yet effective for current interim period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

3. SEGMENT INFORMATION

The executive directors have been identified as the chief operating decision makers to evaluate the performance of operating segments and to allocate resources to those segments.

Based on risks and returns and the Group's internal financial reporting, the executive directors consider that the operating segments of the Group comprise:

- (i) Cold storage and related services in Hong Kong; and
- (ii) Trading and sales of food and beverage in the People's Republic of China (the "PRC") and Hong Kong.

In addition, the executive directors consider that the Group's place of domicile is Hong Kong, where the central management and control is located.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments:

Six months ended 30 June 2025 (unaudited)

	Cold storage and related services HK\$'000	Trading and sales of food and beverage HK\$'000	Consolidated HK\$'000
Segment revenue	67,484	9,017	76,501
Segment results	(24,528)	(2,225)	(26,753)
Unallocated other revenue			124
Unallocated other income			31
Unallocated other losses, net			(43)
Unallocated finance costs			(2,486)
Unallocated expenses			(7,803)
Loss before tax			(36,930)



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



3. SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

Six months ended 30 June 2024 (unaudited)

	Cold storage and related services HK\$'000	Trading and sales of food and beverage HK\$'000	Consolidated HK\$'000
Segment revenue	100,998	23,612	124,610
Segment results	(9,684)	(447)	(10,131)
Unallocated other revenue			127
Unallocated other income			41
Unallocated other losses, net			(32)
Unallocated finance costs			(3,028)
Unallocated expenses			(6,741)
Loss before tax			(19,764)

Segment results, which are the measures reported to the chief operating decision makers for the purposes of resources allocation and assessment of segment performance, represent the profit earned or loss incurred by each segment without allocation of certain other revenue, other income, central administration costs (including certain auditor's remuneration, certain depreciation of right-of-use assets and property, plant and equipment and directors' remuneration) and certain finance costs and if applicable, certain other gains and losses, net.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

3. SEGMENT INFORMATION (continued)

Geographical information

The Group's operations are located in Hong Kong and the PRC.

Information about of the Group's revenue from external customers by geographical locations is set forth below:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Hong Kong	67,616	101,125
The PRC	9,009	23,612
	76,625	124,737



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



3. SEGMENT INFORMATION (continued)

Segment assets and liabilities

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

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Assets		
Cold storage and related services	482,291	524,304
Trading and sales of food and beverage	8,142	12,073
Total segment assets	490,433	536,377
Unallocated assets	19,336	51,955
Consolidated assets	509,769	588,332
Liabilities		
Cold storage and related services	494,224	519,934
Trading and sales of food and beverage	1,407	1,787
Total segment liabilities	495,631	521,721
Unallocated liabilities	73,687	89,486
Consolidated liabilities	569,318	611,207

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

4. REVENUE

Revenue is analysed by category as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<i>Revenue from Contracts with Customers within HKFRS 15</i>		
Provision of cold storage and related services		
– Cold storage services	58,818	88,840
– Handling services	884	1,292
– Logistic services	7,782	10,866
	67,484	100,998
Trading and sales of food and beverage	9,017	23,612
Total revenue from contracts with customers within HKFRS 15	76,501	124,610
Other revenue	124	127
Total revenue	76,625	124,737

In addition to the information shown in segment disclosures, the revenue from contracts with customers within HKFRS 15 disaggregated as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Timing of revenue recognition		
At a point in time	9,017	23,612
Overtime	67,484	100,998
	76,501	124,610



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



5. OTHER INCOME

	Six months ended 30 June	
	2025	2024
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Imputed interest income on rental deposits paid	487	1,496
Interest income from bank deposits	26	37
Other services income	2,455	4,610
Sundry income	29	26
	2,997	6,169

6. OTHER GAINS (LOSSES), NET

	Six months ended 30 June	
	2025	2024
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Exchange losses, net	(78)	(84)
Gains (Losses) on disposal/written-off of property, plant and equipment, net	110	(43)
Recovery of loan receivables	36	51
	68	(76)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

7. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest expense on a bank borrowing	1,323	863
Interest expense on bonds payables	2,475	3,000
Interest expense on lease liabilities	17,388	2,905
Interest expense on defined benefit plan obligations	51	—
	21,237	6,768

8. LOSS BEFORE TAX

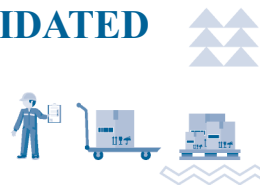
This is stated after charging:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	613	784
Depreciation of right-of-use assets	34,057	40,994
Written-off of inventories	—	15



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



9. INCOME TAX EXPENSES

Hong Kong Profits Tax

Hong Kong Profits Tax at the rate of 16.5% has not been provided as certain Group entities' estimated assessable profits were absorbed by unrelieved tax losses brought forward from previous year and some of the Group's entities incurred losses for taxation purposes in Hong Kong for the six months ended 30 June 2025 and 2024.

Income taxes outside Hong Kong

The Company and its subsidiaries established in Bermuda and the British Virgin Islands respectively are exempted from the enterprise income tax of their respective jurisdictions.

The Group's operations in the PRC are subject to the PRC's enterprise income tax at 25% (six months ended 30 June 2024: 25%).

10. DIVIDEND

No dividends were paid, declared or proposed during the six months ended 30 June 2025 (six months ended 30 June 2024: nil). The directors of the Company have determined that no dividend will be paid in respect of the current interim period (six months ended 30 June 2024: nil).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

11. LOSS PER SHARE

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

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<i>Loss</i>		
Loss for the period attributable to equity holders of the Company for the purposes of basic and diluted loss per share	(36,930)	(19,764)
	'000	'000
		(restated)
<i>Number of shares</i>		
Weighted average number of ordinary shares for the purpose of basic loss per share (Note a)	29,011	29,011
Effect of dilutive potential ordinary shares:		
– Shares issuable from the Company's share option (Note b)	–	–
Weighted average number of ordinary shares for the purpose of diluted loss per share	29,011	29,011

Notes:

- (a) The weighted average number of ordinary shares for the purpose of calculating basic loss per share for the six months ended 30 June 2025 and 2024 has been adjusted, taking into account the Share Consolidation (as defined in Note 23(a)) on 16 July 2025, and assuming the Share Consolidation has been completed on 1 January 2024.
- (b) The computation of diluted loss per share for the six months ended 30 June 2025 and 2024 does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market prices for shares. Diluted loss per share is same as the basic loss per share for the six months ended 30 June 2025 and 2024 as there were no potential ordinary shares in issue for both periods.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment of approximately HK\$316,000 (six months ended 30 June 2024: approximately HK\$740,000) and disposed of certain items of property, plant and equipment with nil carrying amount for proceeds of approximately HK\$110,000, resulting in a gain on disposal of approximately HK\$110,000 (six months ended 30 June 2024: disposed and written off of certain items of property, plant and equipment with net carrying amount of approximately HK\$62,000 for proceeds of approximately HK\$19,000, resulting in a net loss on disposal/written-off of approximately HK\$43,000).

13. RIGHT-OF-USE ASSETS

	Cold storage warehouse HK\$'000	Offices HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
Reconciliation of carrying amount – six months ended 30 June 2024 (unaudited)				
At 1 January 2024 (audited)	74,488	1,774	541	76,803
Additions	–	–	349	349
Lease modification and reassessment of lease liabilities	48,120	–	–	48,120
Depreciation	(40,218)	(693)	(83)	(40,994)
Exchange realignments	–	(9)	–	(9)
At 30 June 2024 (unaudited)	82,390	1,072	807	84,269
Reconciliation of carrying amount – six months ended 30 June 2025 (unaudited)				
At 1 January 2025 (audited)	475,416	1,182	705	477,303
Depreciation	(33,369)	(586)	(102)	(34,057)
Exchange realignments	–	20	–	20
At 30 June 2025 (unaudited)	442,047	616	603	443,266



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



13. RIGHT-OF-USE ASSETS (continued)

The total cash outflow for leases was approximately HK\$43,533,000 (six months ended 30 June 2024: approximately HK\$41,653,000) for the six months ended 30 June 2025.

At 30 June 2025, the carrying amount of motor vehicles of approximately HK\$603,000 (31 December 2024: approximately HK\$705,000) were pledged as the lessors' charge over the leased assets to secure the lease liabilities of approximately HK\$571,000 (31 December 2024: approximately HK\$655,000).

14. PLEDGED BANK DEPOSITS

At 30 June 2025, a bank provides the Group with banking facilities which represented guarantees provided in favour of the Group's cold storage business to the extent of HK\$3,500,000 (31 December 2024: HK\$3,500,000) and are secured by bank deposits amounting to HK\$1,700,000 (31 December 2024: HK\$1,700,000). At 30 June 2025, the utilised banking facilities in this regard was HK\$1,410,000 (31 December 2024: HK\$1,410,000).

15. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

At 30 June 2025, included in trade and other receivables, deposits and prepayments are trade receivables, net of allowances, of approximately HK\$23,114,000 (31 December 2024: approximately HK\$29,990,000).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



15. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

The Group does not allow any credit period to its trade debtors except for certain customers who are allowed for credit period ranged from 30 to 60 days. At the end of the reporting period, the ageing analysis of the trade receivables (net of loss allowances) by invoice date is as follows:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Within 30 days	12,060	13,142
31 to 60 days	6,195	8,069
61 to 90 days	663	3,352
91 to 120 days	801	1,269
More than 120 days	3,395	4,158
	23,114	29,990

At 30 June 2025, included in the carrying amounts of trade receivables are loss allowances of approximately HK\$505,000 (31 December 2024: approximately HK\$637,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

16. TRADE AND OTHER PAYABLES

At 30 June 2025, included in trade and other payables are trade payables of approximately HK\$3,075,000 (31 December 2024: approximately HK\$2,760,000).

Except for certain trade creditors who allowed the Group with 30 days credit period, no credit period is generally allowed by trade creditors and no interest is charged by trade creditors. At the end of the reporting period, the ageing analysis of the trade payables by invoice date is as follows:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Within 30 days	2,309	2,158
31 to 60 days	739	602
61 to 90 days	27	—
	3,075	2,760



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



17. LEASE LIABILITIES

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Lease liabilities payable:		
Within one year	54,563	52,960
Within a period more than one year but not exceeding two years	58,352	56,390
Within a period more than two years but not exceeding five years	203,031	195,646
Over five years	130,398	167,456
	446,344	472,452
Less: Amount due for settlement within twelve months shown under current liabilities	(54,563)	(52,960)
Amount due for settlement after twelve months shown under non-current liabilities	391,781	419,492

18. BONDS PAYABLES

The bonds payables bear interest at 6% per annum and payable annually in arrears, up to the maturity date of the relevant bonds. At 30 June 2025, the maturity dates are ranging from December 2025 to May 2026 (31 December 2024: February 2025 to January 2026).

At 30 June 2025, bonds payables with principal amount of HK\$70,000,000 (31 December 2024: HK\$75,000,000) will mature within twelve months from the end of the reporting period and was classified as current liabilities; and bonds payable with principal amount of nil (31 December 2024: HK\$10,000,000) will mature over one year from the end of the reporting period and was classified as non-current liabilities.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

19. SHARE CAPITAL

	Number of shares	
	'000	HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 January 2024 (audited),		
31 December 2024 (audited) and		
30 June 2025 (unaudited)	60,000,000	600,000
Issued and fully paid:		
At 1 January 2024 (audited),		
31 December 2024 (audited),		
30 June 2025 (unaudited)	290,110	2,901



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



20. SHARE OPTION SCHEME

2025 Scheme

At the annual general meeting of the Company held on 29 May 2025, an ordinary resolution was approved by the shareholders for the adoption of a new share option scheme (the “2025 Scheme”) and is effective for a period of 10 years commencing on the adoption date of 30 May 2025.

The 2015 Scheme (as defined below) was terminated upon the adoption of the 2025 Scheme. Apart from the 2025 Scheme, the Group has no other share schemes as at the end of reporting period.

No share option was granted under the 2025 Scheme during the six months ended 30 June 2025 since its adoption.

The terms of the 2025 Scheme were aligned with the requirements of the amended Chapter 17 of the Listing Rules, which had taken effect on 1 January 2023. For the details of the principal terms of the 2025 Scheme was set out in the circular of the Company dated 25 April 2025.

Summary of the 2025 Scheme are set out below:

(a) Purpose

The purpose of the 2025 Scheme is to provide incentives and rewards to the eligible participants who, in the sole discretion of the Board of Directors, has contributed or may contribute to the growth and development of the Group in recognition of their contribution to the Group.

(b) Eligible participants

Eligible participants include (a) the employee participant(s); and (b) the service provider(s), provided that the Board of Directors may have absolute discretion to determine whether or not one falls within the above category.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

20. SHARE OPTION SCHEME (continued)

2025 Scheme (continued)

(c) Maximum number of shares available for issue

The total number of shares (excluding treasury shares, if any) available for issue under the 2025 Scheme as at the end of reporting period was 29,011,040 shares and the percentage of the issued share capital (excluding treasury shares, if any) that it represents as at the end of reporting period was 10%.

(d) Maximum entitlement of each eligible participant

The total number of shares issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-months period to:

- (1) each eligible participant must not exceed 1.0% of the total number of shares in issue.
- (2) If granting options to an independent non-executive Director, a substantial Shareholder, or any of their respective associates would cause shares from all options and awards granted to them in the 12-month period up to the grant date (excluding lapsed ones) to exceed 0.1% of total issued shares, it requires shareholder approval in a general meeting.
- (3) Within the overall limit, shares issuable to service providers must not exceed 1% of the issued share capital as of the adoption date.

(e) Option period

An option may be exercised in whole or in part at any time during the period to be determined and notified by the Directors to the grantee thereof at the time of making an offer provided that such period shall not exceed the period of 10 years from the date of the grant of the particular option but subject to the provisions for early termination of the 2025 Scheme.

(f) Vesting schedule for an option

An option must be held by the grantee for at least twelve (12) months vesting period before the option can be exercised.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



20. SHARE OPTION SCHEME (continued)

2025 Scheme (continued)

(g) Acceptance of offer

- (1) Amount payable on application or acceptance of the option:

A nominal consideration of HK\$1 is payable by the grantee upon acceptance of an option;

- (2) The period within which payments or calls must or may be made:

21 days inclusive of, from the offer date of an option (the “Offer Date”); and

- (3) The period within which loans for the purposes of the payments or calls must be repaid:

Not applicable.

(h) Exercise price

The exercise price for shares under the 2025 Scheme shall be determined by the Board of Directors at its absolute discretion but in any event will not be less than the highest of:

- (1) the closing price of the shares as shown in the daily quotations sheet of the Stock Exchange on the Offer Date, which must be a business day;
- (2) the average of the closing prices of the shares on the Stock Exchange as shown in the daily quotations sheets of the Stock Exchange for the 5 consecutive business days immediately preceding the Offer Date; and
- (3) the nominal value of the share on the Offer Date.

(i) The remaining life of the 2025 Scheme

Approximately 10 years (expiring on 29 May 2035).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

20. SHARE OPTION SCHEME (continued)

2015 Scheme

The Company adopted a share option scheme (the “2015 Scheme”) on 2 June 2015, under which the Board of Directors may, at its discretion, grant share options to any eligible participant to subscribe for ordinary shares of the Company subject to the terms and conditions stipulated therein.

The 2015 Scheme was terminated and replaced by the 2025 Scheme on 30 May 2025. No share option was granted under the 2015 Scheme from 1 January 2025 to its termination date.

No further share options may be granted under the 2015 Scheme. Share options granted during the life of the 2015 Scheme and remain unexpired prior to the termination of the 2015 Scheme continue to be exercisable in accordance with their terms of issue after the termination of the 2015 Scheme.

The scheme mandate limit of the 2015 Scheme was refreshed at the annual general meeting of the Company held on 27 May 2021. At 30 June 2025, there are outstanding 23,208,832 (equivalent to 2,320,880 share options following the Share Consolidation on 16 July 2025) (31 December 2024: 23,208,832) share options, entitling the holders thereof to convert into an aggregate of 23,208,832 (equivalent to 2,320,880 shares following the Share Consolidation on 16 July 2025) (31 December 2024: 23,208,832) shares at the time upon exercise of the share options. All the 23,208,832 (equivalent to 2,320,880 share options following the Share Consolidation on 16 July 2025) (31 December 2024: 23,208,832) share options are granted under the 2015 Scheme, details of which were disclosed in paragraph (j) below. There are no other share options granted under the 2015 Scheme.

Summary of the 2015 Scheme are set out below:

(a) Purpose

The purpose of the 2015 Scheme is to provide incentives and rewards to the eligible participants who, in the sole discretion of the Board of Directors, has contributed or may contribute to the growth and development of the Group in recognition of their contribution to the Group.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



20. SHARE OPTION SCHEME (continued)

2015 Scheme (continued)

(b) Eligible participants

Eligible participants include any full time or part time employees of the Group or any invested entity (including any directors, whether executive or non-executive and whether independent or not, of the Company or any subsidiary or any invested entity); any holder of any securities issued by the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensees) or distributors, landlords or tenants (including any sub-tenants) of the Group or any invested entity or any person who, in the sole discretion of the Board of Directors, has contributed or may contribute to the growth and development of the Group eligible for options under the 2015 Scheme.

(c) Maximum number of shares available for issue

The total number of shares (excluding treasury share, if any) available for issue under the 2015 Scheme as at 31 December 2024 was 17,406,624 shares and the percentage of the issued share capital (excluding treasury share, if any) that it represents as at 31 December 2024 was 6%.

(d) Maximum entitlement of each eligible participant

The total number of shares issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-months period to:

- (1) each eligible participant must not exceed 1.0% of the total number of shares in issue; and
- (2) a substantial shareholder of the Company or an independent non-executive director must not in aggregate exceed 0.1% of the total number of shares in issue and not exceed HK\$5 million in aggregate value.

(e) Option period

An option may be exercised in whole or in part at any time during the period to be determined and notified by the Directors to the grantee thereof at the time of making an offer provided that such period shall not exceed the period of 10 years from the date of the grant of the particular option but subject to the provisions for early termination of the 2015 Scheme.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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20. SHARE OPTION SCHEME (continued)

2015 Scheme (continued)

(f) Vesting schedule for an option

Vesting period (as the case may be) may specify by the Board of Directors at the time of grant. Unless the options have been withdrawn and cancelled or been forfeited in whole or in part, the grantee may exercise his rights according to the vesting schedule set out in the relevant grant letter. The option must be exercised no more than 10 years from the grant date.

No specified minimum period for which an option must be held, unless otherwise specified by the Board of Directors at the time of grant.

(g) Acceptance of offer

- (1) Amount payable on application or acceptance of the option:

A non-refundable nominal consideration of HK\$1 is payable by the grantee upon acceptance of an option;

- (2) The period within which payments or calls must or may be made:

21 days inclusive of, from the offer date of an option (the “Offer Date”); and

- (3) The period within which loans for the purposes of the payments or calls must be repaid:

Not applicable.

(h) Exercise price

The exercise price for shares under the 2015 Scheme shall be determined by the Board of Directors at its absolute discretion but in any event will not be less than the highest of:

- (1) the closing price of the shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on Offer Date, which must be a business day;
- (2) the average of the closing prices of the shares on the Stock Exchange as shown in the daily quotations sheets of the Stock Exchange for the 5 business days immediately preceding the Offer Date; and
- (3) the nominal value of the shares on the Offer Date.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



20. SHARE OPTION SCHEME (continued)

2015 Scheme (continued)

(i) The remaining life of the 2015 Scheme

The 2015 Scheme have a life of 10 years commenced on 2 June 2015 and was terminated on 30 May 2025.

(j) Outstanding options under the 2015 Scheme

At 30 June 2025 (unaudited)

						Number of share options					
Grantees	Notes	Date of grant	Exercise price per share HK\$	Closing price immediately before the date of grant HK\$	Exercise period	Outstanding at 1 January 2025	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding at 30 June 2025
Category 1: Directors											
Fung Pak Kei	1, 3, 4, 5	30 April 2021	0.39	0.37	1 January 2022 to 29 April 2031	2,901,104	–	–	–	–	2,901,104
	2, 3, 5	4 May 2022	0.192	0.188	1 January 2023 to 3 May 2032	2,901,104	–	–	–	–	2,901,104
Ho Hon Chung, Ivan (Note 6)	1, 3, 4, 5	30 April 2021	0.39	0.37	1 January 2022 to 29 April 2031	2,901,104	–	–	–	–	2,901,104
	2, 3, 5	4 May 2022	0.192	0.188	1 January 2023 to 3 May 2032	2,901,104	–	–	–	–	2,901,104
Sub-total:						11,604,416	–	–	–	–	11,604,416
Category 2: Employees											
Five highest paid individuals during 2021 (excluding Directors) – In aggregate	1, 3, 4, 5	30 April 2021	0.39	0.37	1 January 2022 to 29 April 2031	5,802,208	–	–	–	–	5,802,208
	2, 3, 5	4 May 2022	0.192	0.188	1 January 2023 to 3 May 2032	5,802,208	–	–	–	–	5,802,208
Sub-total:						11,604,416	–	–	–	–	11,604,416
Total:						23,208,832	–	–	–	–	23,208,832

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

20. SHARE OPTION SCHEME (continued)

2015 Scheme (continued)

(j) Outstanding options under the 2015 Scheme (continued)

At 30 June 2024 (unaudited) and 31 December 2024 (audited)

						Number of share options					Outstanding at 30 June 2024 and 31 December 2024
Grantees	Notes	Date of grant	Exercise price per share HK\$	Closing price immediately before the date of grant HK\$	Exercise period	Outstanding at 1 January 2024	Granted during the period/year	Exercised during the period/year	Cancelled during the period/year	Lapsed during the period/year	
Category 1:											
Directors											
Fung Pak Kai	1, 3, 4, 5	30 April 2021	0.39	0.37	1 January 2022 to 29 April 2031	2,901,104	–	–	–	–	2,901,104
	2, 3, 5	4 May 2022	0.192	0.188	1 January 2023 to 3 May 2032	2,901,104	–	–	–	–	2,901,104
Ho Hon Chung, Ivan	1, 3, 4, 5	30 April 2021	0.39	0.37	1 January 2022 to 29 April 2031	2,901,104	–	–	–	–	2,901,104
	2, 3, 5	4 May 2022	0.192	0.188	1 January 2023 to 3 May 2032	2,901,104	–	–	–	–	2,901,104
Sub-total:						11,604,416	–	–	–	–	11,604,416
Category 2:											
Employees											
Five highest paid individuals during 2021 (excluding Directors) – In aggregate	1, 3, 4, 5	30 April 2021	0.39	0.37	1 January 2022 to 29 April 2031	5,802,208	–	–	–	–	5,802,208
	2, 3, 5	4 May 2022	0.192	0.188	1 January 2023 to 3 May 2032	5,802,208	–	–	–	–	5,802,208
Sub-total:						11,604,416	–	–	–	–	11,604,416
Total:						23,208,832	–	–	–	–	23,208,832



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



20. SHARE OPTION SCHEME (continued)

2015 Scheme (continued)

(j) Outstanding options under the 2015 Scheme (continued)

Notes:

1. The vesting period of the options was from the date of grant till commencement of its exercise period, which would be from 30 April 2021 to 31 December 2021. The performance targets relate to the performance of the Group and the performance targets have been achieved. The option period during which the options may be exercised is the period from 1 January 2022 to 29 April 2031 (subject to the provisions for early termination of the 2015 Scheme and the achievement of performance target to be determined from time to time at the absolute discretion of the Board of Directors). The date of grant was 30 April 2021. The weighted average closing price of the shares immediately before the vesting was approximately HK\$0.37 per share as adjusted by the 2022 Capital Reorganisation (adjusted to approximately HK\$3.70 per share following the Share Consolidation (as defined in Note 23(a)) on 16 July 2025).
2. The vesting period of the options was from the date of grant till commencement of its exercise period, which would be from 4 May 2022 to 31 December 2022. The performance targets relate to the performance of the Group and the performance targets have been achieved. The option period during which the options may be exercised is the period from 1 January 2023 to 3 May 2032 (subject to the provisions for early termination of the 2015 Scheme and the achievement of performance target to be determined from time to time at the absolute discretion of the Board of Directors). The date of grant was 4 May 2022. The weighted average closing price of the shares immediately before the vesting was approximately HK\$0.179 per share (adjusted to approximately HK\$1.79 per share following the Share Consolidation (as defined in Note 23(a)) on 16 July 2025).
3. All grantees shown in this table are employees of the Group working under employment contracts that are regarded as “continuous contracts” for the purposes of the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).
4. The adjustments in relation to the outstanding share options have been made upon the 2022 Capital Reorganisation on the exercise price and the closing price immediately before the date of grant.

Details of the 2022 Capital Reorganisation are set out in the Company’s announcements dated 31 January 2022, 10 February 2022, 8 March 2022 and 22 March 2022 and the Company’s circular dated 25 February 2022.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

20. SHARE OPTION SCHEME (continued)

2015 Scheme (continued)

(j) Outstanding options under the 2015 Scheme (continued)

Notes: (continued)

5. Subsequent to the reporting period, pursuant the terms of share option scheme, the adjustments in relation to the outstanding share options to be made upon Share Consolidation (as defined in Note 23(a)) became effective on 16 July 2025, the adjusted exercise price, closing price and number of outstanding share options as follow:

Date of grant	Exercise period	Exercise price per consolidated share	Closing price immediately before the date of grant	Number of consolidated shares to be issued upon full exercise of the outstanding share options
30 April 2021	1 January 2022 to 29 April 2031	HK\$3.90	HK\$3.70	1,160,440
4 May 2022	1 January 2023 to 3 May 2032	HK\$1.92	HK\$1.88	1,160,440

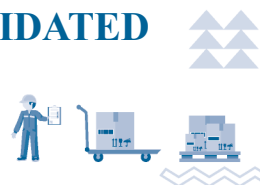
Details of adjustment to the share options are set out in the Company's announcement dated 14 July 2025.

6. Mr. Ho Hon Chung, Ivan has been retired as an Executive Director of the Company on 30 May 2025.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



20. SHARE OPTION SCHEME (continued)

2015 Scheme (continued)

(k) Fair value of options

The fair value of outstanding share options granted on 4 May 2022 and 30 April 2021 are calculated using the Binomial Option Pricing Model, with the following key inputs:

	Date of grant	
	4 May 2022	30 April 2021
Fair value – Category 1	HK\$0.12	HK\$0.24*
– Category 2	HK\$0.11	HK\$0.21*
Share price immediately before the grant date	HK\$0.188	HK\$0.37*
Share price at grant date	HK\$0.188	HK\$0.39*
Exercise price	HK\$0.192	HK\$0.39*
Expected volatility	72.33%	71.63%
Risk-free interest rate	3.08%	1.42%
Expected dividends	Nil	Nil

* The adjustments in relation to the outstanding share options have been made upon the 2022 Capital Reorganisation on the exercise price and other key inputs.

The expected volatility was determined using the historical volatility of the Company's share prices. The values of above share options vary with different variables of certain subjective assumptions in regard to the limitation of calculation model applied.

During the six months ended 30 June 2025 and 2024, there is no share option granted.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



20. SHARE OPTION SCHEME (continued)

(I) Scheme Limit, refreshment of Scheme Limit and maximum number of shares which may be issued

Upon the adoption of the 2025 Scheme on 30 May 2025, a total of 29,011,040 shares (equivalent to 2,901,104 shares upon Share Consolidation on 16 July 2025) (31 December 2024 under the 2015 Scheme: 17,406,624 shares) may be granted under the 2025 Scheme, representing 10% (31 December 2024 under the 2015 Scheme: 6%) of the issued share capital (the “Scheme Limit”) as at the end of reporting period, unless otherwise permitted by the Listing Rules and the Company obtaining the approval of its shareholders to refresh the Scheme Limit. The Company may seek the approval of its shareholders in general meeting to refresh the Scheme Limit such that the total number of shares which may be issued upon exercise of all options that may be granted under the 2025 Scheme and any other option scheme involving the issue or grant of options over shares or other securities by the Company under the limit as refreshed shall not exceed 10% of the issued share capital of the Company as at the date of approval of the refreshed limit.

The Company may seek the approval of its shareholders in general meeting to grant options which will result in the number of shares in respect of all the options granted under the 2025 Scheme and all the options granted under any other option scheme exceeding 10% of the issued share capital of the Company, provided that such options are granted only to participants specifically identified by the Company before the approval of shareholders is sought.

No share option was granted under the 2015 Scheme from 1 January 2025 to its expiration date, nor under the 2025 Scheme during the six months ended 30 June 2025 since its adoption.

23,208,832 shares (year ended 31 December 2024: 23,208,832 shares) that may be issued in respect of options granted under 2015 Scheme during the six months ended 30 June 2025 divided by the weighted average number of shares of the relevant class in issue of 290,110,400 shares (31 December 2024: 290,110,400 shares) for the period/year is 8% (31 December 2024: 8%).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



20. SHARE OPTION SCHEME (continued)

(l) Scheme Limit, refreshment of Scheme Limit and maximum number of shares which may be issued (continued)

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2015 Scheme and any other options granted and yet to be exercised under any other option scheme shall not exceed 30% of the issued share capital of the Company from time to time.

21. FAIR VALUE MEASUREMENTS

(a) Assets and liabilities measured at fair value

At 30 June 2025 and 31 December 2024, no financial assets and financial liabilities were measured at fair value.

(b) Assets and liabilities not measured at fair value

The carrying amounts of financial assets and liabilities measured at amortised cost are carried at amounts not materially different from their fair values at 30 June 2025 and 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025

22. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in the condensed consolidated financial statements, the Group had the following transactions with related parties.

Key management's remuneration, including directors' remuneration

	Six months ended 30 June	
	2025	2024
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Salaries, allowances and other short-term employee benefits	4,040	3,985
Contributions to defined contribution plans	98	94
Expenses arising from defined benefit plan obligations	32	—
	4,170	4,079

23. EVENTS AFTER THE REPORTING PERIOD

(a) Share consolidation

On 14 July 2025, an ordinary resolution was passed to approve the share consolidation, pursuant to which every ten (10) issued and unissued existing shares of par value of HK\$0.01 each in the share capital of the Company were consolidated into one (1) consolidated share of par value HK\$0.10 (the "Share Consolidation"). With effect on 16 July 2025, 290,110,400 shares in the issued share capital of the Company were consolidated into 29,011,040 consolidated shares.

For details, please refer to the announcements dated 13 June 2025 and 14 July 2025, and the circular dated 27 June 2025.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2025



23. EVENTS AFTER THE REPORTING PERIOD (continued)

(b) Subscription of new shares

As disclosed in the announcement issued by the Company dated 21 April 2025, the Company entered into Subscription Agreements with three Subscribers on 20 April 2025, for the Subscription of aggregate of 58,022,079 Subscription Shares at the Subscription Price of approximately HK\$0.04801 per Subscription Share.

The subscription of new shares was completed on 21 July 2025 and 22 July 2025. An aggregate of 5,802,207 (as adjusted by the Share Consolidation) new shares were issued and allotted under general mandate at the Subscription Price of HK\$0.4801 (as adjusted by the Share Consolidation).

For details, please refer to the important events subsequent to the reporting period in the other information section of this interim report.

(c) Subscription of convertible bonds (“CB”)

As disclosed in the announcement issued by the Company dated 21 April 2025, the Company entered into CB Subscription Agreements with three CB Subscribers on 20 April 2025, for the subscription of unlisted convertible bonds, each with a principal amount of HK\$15,000,000, representing an aggregate principal amount of HK\$45,000,000.

On 21 July 2025, the CB with an aggregate principal amount of HK\$45,000,000 have been issued to the CB Subscribers in accordance with the terms and conditions of their respective CB Subscription Agreements.

For details, please refer to the important events subsequent to the reporting period in the other information section of this interim report.

OTHER INFORMATION



DISCLOSURE OF INTERESTS

Interests of Directors

At 30 June 2025, save as disclosed below, none of the Company's Directors or chief executives of the Company nor their respective associates had any interests and short positions in any 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 ("SFO")), which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provision of the SFO), or which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO, or which were otherwise required to notify the Company and the Stock Exchange pursuant to Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

Long positions in the shares and underlying shares of the Company:

Name of Director	Capacity/ nature of interest	Number of shares held ^(Note 1)	Number of share options held ^(Note 2)	Total interests	Approximate percentage of total issued share capital ^(Note 3)
Fung Pak Kei	Interest of controlled corporation and beneficial owner	20,232,313	5,802,208	26,034,521	8.97%

Notes:

1. Ever Achieve Enterprises Limited ("Ever Achieve") is 100% owned by Mr. Fung Pak Kei and Mr. Ho Hon Chung, Ivan, being executive Director and former executive Director respectively, through their wholly-owned companies, in equal shares. Therefore, Mr. Fung Pak Kei and Mr. Ho Hon Chung, Ivan are deemed to be interested in all the shares of the Company held by Ever Achieve under provisions of SFO. Mr. Ho Hon Chung, Ivan has retired as executive Director on 30 May 2025.
2. Details of share options held by the Directors stated in the following section "Share Option Scheme".
3. The percentages are calculated based on the total number of shares of the Company in issue at 30 June 2025 which was 290,110,400.





DISCLOSURE OF INTERESTS (continued)

Share Option Scheme

At the annual general meeting of the Company held on 29 May 2025, an ordinary resolution was approved by the Shareholders for the adoption of a new share option scheme (the “2025 Scheme”) and is effective for a period of 10 years commencing on the adoption date of 30 May 2025. The old share option scheme adopted on 2 June 2015 (the “2015 Scheme”) was terminated upon the adoption of the 2025 Scheme. Apart from the 2025 Scheme, the Group have no other share schemes under Chapter 17 of the Listing Rules as at the end of reporting period and as at the date of this Interim Report.

No share option was granted under the 2015 Scheme from 1 January 2025 to its expiration date, nor under the 2025 Scheme during the six months ended 30 June 2025 since its adoption. No share options have been granted since the end of the current interim period till the date of this Interim Report.

Summary of the 2015 Scheme and the 2025 Scheme as required to be disclosed under Chapter 17 of the Listing Rules are set out in Note 20 to the condensed financial statements.

The number of share options available for grant under the 2015 Scheme as at 1 January 2024 and 31 December 2024 was 17,406,624 (without taken into account of the share consolidation in July 2025).

As at 1 January 2025, the number of share options available for grant under the 2015 Scheme was 17,406,624 and remained the same as of its expiration date. At the annual general meeting of the Company held on 29 May 2025, the 2025 Scheme was adopted. Upon adoption of the 2025 Scheme on 30 May 2025, the 2015 Scheme was terminated. No further share options may be granted under the 2015 Scheme but the outstanding share options granted prior to the termination will continue to be valid and exercisable in accordance with the terms of the 2015 Scheme. There is no service provider sublimit under the 2015 Scheme. As at 30 May 2025 (i.e. the adoption date) and 30 June 2025, the number of share options available for grant under the 2025 Scheme was 29,011,040; within the scheme mandate limit, the service provider sublimit (as defined in the Listing Rules) was 2,901,104.



OTHER INFORMATION



DISCLOSURE OF INTERESTS (continued)

Share Option Scheme (continued)

The total number of shares (excluding treasury shares, if any) available for issuance under the 2025 Scheme as at the end of reporting period was 29,011,040 shares (without taken into account of the share consolidation in July 2025) (2024 under the 2015 Scheme: 17,406,624 shares), representing approximately 10% (2024 under the 2015 Scheme: 6%) of the issued share capital (excluding treasury shares, if any) as at the end of reporting period.

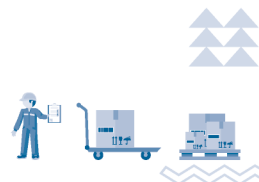
After the share consolidation of every ten shares into one consolidated share that took effect on 16 July 2025 and the completion of the new share subscriptions on 21 July 2025 and 22 July 2025, the total number of shares (excluding treasury shares, if any) available for issuance under the 2025 Scheme as at the date of this Interim Report was 2,901,104 shares, representing approximately 8.34% of the issued share capital (excluding treasury shares, if any) as at the date of this Interim Report.

Apart from the 2015 Scheme and the 2025 Scheme, at no time during the current interim period and up to the date of this Interim Report, the Company or any associated corporation was a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such rights.

Interests of substantial shareholders

At 30 June 2025, save as disclosed below, so far as is known to the Company's Directors and chief executives of the Company, no person (other than the Company's Director or a chief executive of the Company) had interests or short positions in any shares or underlying shares of the Company which will fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which are recorded in the register of interests required to be kept by the Company under Section 336 of the SFO and no person (other than the Company's Director or a chief executive of the Company), had an interest or short position in any shares or underlying shares of the Company, who is expected, directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or has any options in respect of such capital.





DISCLOSURE OF INTERESTS (continued)

Interests of substantial shareholders (continued)

Long positions in the shares of the Company:

Name of shareholder	Note	Capacity/nature of interest	Number of Shares/underlying Shares held	Approximate percentage of the number issued Shares
YuYu Future Investment Limited	1, 2 & 5	Beneficial owner	331,775,602	114.36%
Protoss Global Opportunities Fund	1 & 5	Beneficial owner	312,434,909	107.70%
Providence Discovery Fund	1 & 5	Beneficial owner	312,434,909	107.70%
Great Virtue Holding Limited	2	Beneficial owner	46,880,000	16.16%
Ho Hon Chung, Ivan	3	Beneficial owner	5,802,208	2%
	3	Interest of controlled corporation	20,232,313	6.97%
Ever Achieve Enterprises Limited	3	Beneficial owner	20,232,313	6.97%
Bi Wei	2	Beneficial owner	19,340,693	6.67%
Providence Capital Group Limited	2	Beneficial owner	19,340,693	6.67%

Notes:

- On 20 April 2025, the Company entered into the Convertible Bonds (“CB”) Subscription Agreements with each of the CB Subscribers respectively, pursuant to which the CB Subscriber A, the CB Subscriber B and the CB Subscriber C has respectively conditionally agreed to subscribe for and the Company has conditionally agreed to issue the Convertible Bonds with the principal amount of HK\$15,000,000 convertible into 312,434,909 Conversion Shares at the Conversion Price of HK\$0.04801 per Conversion Share. For further details, please refer to the announcement of the Company dated 21 April 2025 and the circular of the Company dated 27 June 2025.

The CB Subscriber A is YuYu Future Investment Limited. The ultimate beneficial owner of the CB Subscriber A is Mr. Yu Chunfeng. The CB Subscriber A is the same as the Subscriber A.

The CB Subscriber B is Protoss Global Opportunities Fund. The ultimate beneficial owner of the CB Subscriber B is Mr. Bi Wei.

The CB Subscriber C is Providence Discovery Fund. The ultimate beneficial owner of the CB Subscriber C is Mr. Dong Zimeng holding Shares directly or indirectly through controlled corporations, Providence Discovery Fund, Providence Strategic Discovery OFC Limited, Providence Capital Group Limited and Oriental Collection Limited.



DISCLOSURE OF INTERESTS (continued)

Interests of substantial shareholders (continued)

Notes: (continued)

2. On 20 April 2025, the Company entered into the Subscription Agreements with each of the Subscribers respectively, pursuant to which the Subscriber A, the Subscriber B and the Subscriber C has respectively conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 19,340,693 Subscription Shares at the Subscription Price of approximately HK\$0.04801 per Subscription Share. For further details, please refer to the announcement of the Company dated 21 April 2025.

The Subscriber B is Mr. Bi Wei who is the founder of Protoss Capital Limited. The Subscriber B is also the ultimate beneficial owner of the CB Subscriber B.

The Subscriber C is Providence Capital Group Limited, a licensed corporation in Hong Kong to carry out Type 9 (asset management) regulated activities under the SFO. The founder and ultimate beneficial owner of the Subscriber C is Mr. Dong Zimeng holding Shares directly or indirectly through controlled corporations, Providence Capital Group Limited and Oriental Collection Limited. The Subscriber C is the investment manager of the CB Subscriber C.

3. The entire issued share capital of Great Virtue Holding Limited (“Great Virtue”) is beneficially owned by Mr. William Waileung Kong, and therefore, Mr. William Waileung Kong is deemed to be interested in the same number of Shares in which Great Virtue is interested under provisions of the SFO.
4. Ever Achieve Enterprises Limited (“Ever Achieve”) is 100% owned by Mr. Fung Pak Kei and Mr. Ho Hon Chung, Ivan, being Executive Director and former Executive Director of the Company, through their wholly-owned companies, Grand Legacy Holdings Limited and Premium Access Holdings Limited, in equal shares. Therefore, Mr. Fung Pak Kei and Mr. Ho Hon Chung, Ivan are deemed to be interested in all the Shares held by Ever Achieve under provisions of the SFO.

The entire issued share capital of Grand Legacy Holdings Limited is beneficially owned by Mr. Ho Hon Chung, Ivan, who has retired as Executive Director of the Company on 30 May 2025.

The entire issued share capital of Premium Access Holdings Limited is beneficially owned by Mr. Fung Pak Kei, an Executive Director of the Company.

5. The shareholding percentage exceeds 100% because it includes the potential shares to be issued upon conversion of convertible bonds.
6. The percentages are calculated based on the total number of shares of the Company in issue at 30 June 2025 which was 290,110,400.





CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

The Company did not have any discloseable non-exempted connected transactions or non-exempted continuing connected transactions under the Listing Rules during the six months ended 30 June 2025 and up to the date of this Interim Report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save for the important events subsequent to the reporting period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2025. The Company did not hold any treasury shares during the six months ended 30 June 2025.

IMPORTANT EVENTS SUBSEQUENT TO THE REPORTING PERIOD

Save as disclosed below, no important events affecting the Group occurred since 30 June 2025 and up to 9 September 2025.

Subscription of new shares under the general mandate

As disclosed in the announcement issued by the Company dated 21 April 2025, the Company entered into Subscription Agreements with three Subscribers on 20 April 2025 for the Subscription of aggregate of 58,022,079 Subscription Shares. Pursuant to which (a) YuYu Future Investment Limited has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 19,340,693 Subscription Shares at the Subscription Price of approximately HK\$0.04801 per Subscription Share; (b) Mr. Bi Wei has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 19,340,693 Subscription Shares at the Subscription Price of approximately HK\$0.04801 per Subscription Share; and (c) Providence Capital Group Limited has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 19,340,693 Subscription Shares at the Subscription Price of approximately HK\$0.04801 per Subscription Share.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscribers and their ultimate beneficial owners are independent of and not connected with the Company and its connected persons (as defined by the Listing Rules).



OTHER INFORMATION



IMPORTANT EVENTS SUBSEQUENT TO THE REPORTING PERIOD (continued)

Subscription of new shares under the general mandate (continued)

On 21 July 2025, a total of 1,934,069 (as adjusted by the Share Consolidation) new shares of the Company were issued and allotted under general mandate at the Subscription Price of HK\$0.4801 (as adjusted by the Share Consolidation) per share to Providence Capital Group Limited pursuant to the Subscription Agreement C.

On 22 July 2025, the Company issued and allotted an aggregate of 3,868,138 new shares of the Company (as adjusted by the Share Consolidation) under the general mandate, comprising 1,934,069 new shares of the Company to each of YuYu Future Investment Limited and Mr. Bi Wei, respectively. The shares were issued at a Subscription Price of HK\$0.4801 per share (as adjusted by the Share Consolidation), pursuant to the terms of Subscription Agreement A and Subscription Agreement B entered into with the respective subscribers.

The Subscription Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with the ordinary shares of the Company in issue on the date of allotment and issue of the Subscription Shares.

The net Subscription Price of each of the Subscription Share, after deduction of relevant expenses, is approximately HK\$0.4339 (as adjusted by the Share Consolidation) per Subscription Share. The gross proceeds and net proceeds of the Subscription are approximately HK\$2.79 million and HK\$2.52 million respectively. The aggregate nominal value of the Subscription Shares was HK\$580,220.79. As at 17 April 2025, being the last trading day immediately preceding the date of the Subscription Agreements, the closing market price of the Company's ordinary shares was HK\$0.06 per share (prior to the Share Consolidation).

The Directors consider raise funds by issuing the Subscription is justifiable considering the recent market conditions and consider that the Subscription represents an opportunity for the Company to enhance its working capital and strengthen its capital base and financial position. The Subscription does not only represent an opportunity to raise capital for the Company, it also enlarges and broadens the shareholder base and capital base of the Company.





IMPORTANT EVENTS SUBSEQUENT TO THE REPORTING PERIOD

(continued)

Use of proceeds of the Subscription Shares

The following table sets forth a breakdown of the use of the net proceeds as at 30 June 2025:

Use of net proceeds	Available for use HK\$ million	Utilised (as at 30 June 2025) HK\$ million	Unutilised (as at 30 June 2025 and up to the date of this Interim Report) HK\$ million	Expected time of use
(i) repayment of indebtedness of the Group	2.00	–	2.00	by the end of 2025
(ii) fund working capital of the Group	0.52	–	0.52	by the end of 2025
	2.52	–	2.52	

As at 30 June 2025 and up to the date of this Interim Report, the net proceeds from the Subscription have not been utilised. The unutilised net proceeds from the Subscription as at 30 June 2025, being approximately HK\$2.52 million were deposited with the licensed banks in Hong Kong.

As at the date of this Interim Report, the Board has no intention to change the planned use of the net proceeds as disclosed above. The expected timeline for using the unutilised net proceeds is based on the best estimation of the business market situations made by the Board. It might be subject to changes based on the market conditions.

Further announcement(s) and/or disclosure in the Company's annual report(s) in respect of change in timeline, if any, will be made by the Company in accordance with the requirements of the Listing Rules as and when appropriate to update its Shareholders and potential investors.

Details of the Subscription are set out in the Company's announcements dated 21 April 2025, 21 July 2025 and 22 July 2025, and the Company's circular dated 27 June 2025. Unless otherwise specified by the context, all capitalised terms used herein shall carry the same meanings as those defined in the aforementioned announcements and circular.



IMPORTANT EVENTS SUBSEQUENT TO THE REPORTING PERIOD (continued)

Subscription of convertible bonds under the specific mandate

On 20 April 2025, the Company entered into three separate CB Subscription Agreements with YuYu Future Investment Limited, Protoss Global Opportunities Fund and Providence Discovery Fund, respectively. Each of the CB Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to issue the unlisted convertible bonds with principal amount of HK\$15,000,000 per CB Subscriber, representing an aggregate principal amount of HK\$45,000,000.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the CB Subscribers and their ultimate beneficial owners are independent of and not connected with the Company and its connected persons (as defined by the Listing Rules).

The Convertible Bonds may be converted into aggregate 93,730,470 new shares of the Company (as adjusted by the Share Consolidation) at the Conversion Price of HK\$0.4801 (as adjusted by the Share Consolidation) per Conversion Share. Each CB Subscriber will be entitled to receive 31,243,490 Conversion Shares. The net Conversion Price, after deduction of relevant expenses, is approximately HK\$0.4339 per Conversion Share (as adjusted by the Share Consolidation). The maximum aggregate nominal value of the Conversion Shares is HK\$9,373,047 (as adjusted by the Share Consolidation).

The Conversion Shares, when allotted and issued, will rank pari passu in all respects among themselves and with the Shares in issue as at the date of allotment and issue of the Conversion Shares.

As at 17 April 2025, being the last trading day immediately preceding the date of the Subscription Agreements, the closing market price of the Company's ordinary shares was HK\$0.06 per share (prior to the Share Consolidation).





IMPORTANT EVENTS SUBSEQUENT TO THE REPORTING PERIOD

(continued)

Subscription of convertible bonds under specific mandate (continued)

On 21 July 2025, the Convertible Bonds with an aggregate principal amount of HK\$45,000,000 have been issued to the CB Subscribers in accordance with the terms and conditions of their respective CB Subscription Agreements. Subject to full conversion, a maximum of 93,730,470 new shares of the Company (as adjusted by the Share Consolidation) may be allotted and issued pursuant to the conversion rights attached to the Convertible Bonds. Each CB Subscriber will be entitled to receive 31,243,490 Conversion Shares.

Based on the initial conversion price of HK\$0.4801 (as adjusted by the Share Consolidation), a maximum number of 93,730,470 Conversion Shares (as adjusted by the Share Consolidation) represents: (i) approximately 323.09% of the issued share capital of the Company as at 30 June 2025; (ii) approximately 269.24% of the issued share capital of the Company as at the date of this Interim Report; and (iii) approximately 72.92% of the issued share capital of the Company as to be enlarged by the allotment and issue of the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds in full (assuming that there is no change in the issued share capital of the Company from the date of this Interim Report up to the full conversion of the Conversion Shares).

The Convertible Bonds carry an annual interest rate of 6% on the outstanding principal amount. Accrued interest is payable on each anniversary of the initial issue date of the Convertible Bonds. The Convertible Bonds will mature three years from the issue date of the Convertible Bonds, with an option to extend the maturity by an additional two years thereafter.

The gross proceeds and net proceeds of the CB Subscription are approximately HK\$45.00 million and HK\$40.67 million respectively.

The Board has carefully considered the Group's financial position, including the net liabilities and the aggregate outstanding debt. In light of the Group's limited cash resources and the need to strengthen liquidity while minimizing immediate equity dilution, the Board believes that the issuance of Convertible Bonds represents a strategic and cost-effective financing solution. Convertible bonds allow the Company to raise capital at a lower interest rate compared to conventional borrowings, while offering flexibility to convert debt into equity over time. This structure not only aligns investor interests with the Company's long-term growth but also supports ongoing negotiations for debt extensions and provides a prudent buffer should alternative fundraising be required.

OTHER INFORMATION



IMPORTANT EVENTS SUBSEQUENT TO THE REPORTING PERIOD (continued)

Subscription of convertible bonds under specific mandate (continued)

Details of the CB Subscription are set out in the Company's announcements dated 21 April 2025, 21 July 2025 and 22 July 2025, and the Company's circular dated 27 June 2025. Unless otherwise specified by the context, all capitalised terms used herein shall carry the same meanings as those defined in the aforementioned announcements and circular.

The use of net proceeds of approximately HK\$40.67 million raised from the CB Subscription as follows:

Intended application of the net proceeds	Approximate percentage of net proceeds allocated	Approximate amount of net proceeds allocated	Amount utilised as at 30 June 2025	Amount utilised as at the date of this Interim Report
(i) repayment of bank loan	86%	HK\$35 million by end of July 2025	—	HK\$35 million
(ii) general working capital of the Group including staff cost and other office overhead	14%	HK\$5.67 million by end of 2025	—	—





IMPORTANT EVENTS SUBSEQUENT TO THE REPORTING PERIOD (continued)

Subscription of convertible bonds under specific mandate (continued)

The Board confirmed that (i) HK\$35 million of the net proceeds from the CB Subscription had fully utilised as at the date of this Interim Report and there was no material change or delay in the use of the net proceeds. It is contemplated that the remaining balance of approximately HK\$5.67 million of the net proceeds for general working capital will be utilised by end of 2025.

The unutilised net proceeds from the CB Subscription as at 30 June 2025, being approximately HK\$5.67 million were deposited with the licensed banks in Hong Kong.

As at the date of this Interim Report, the Board has no intention to change the planned use of the net proceeds as disclosed above. The expected timeline for using the unutilised net proceeds is based on the best estimation of the business market situations made by the Board. It might be subject to changes based on the market conditions.

Further announcement(s) and/or disclosure in the Company's annual report(s) in respect of change in timeline, if any, will be made by the Company in accordance with the requirements of the Listing Rules as and when appropriate to update its Shareholders and potential investors.

Share Consolidation

On 13 June 2025, the Board proposed to implement a share consolidation on the basis that every ten (10) issued and unissued Existing Shares of par value of HK\$0.01 each in the share capital of the Company would be consolidated into one (1) Consolidated Share of par value of HK\$0.10.

Pursuant to an ordinary resolution of the Company passed on 14 July 2025, the share consolidation was approved by the Shareholders and has become effective on 16 July 2025. For details, please refer to the announcements of the Company dated 13 June 2025 and 14 July 2025, and the circular dated 27 June 2025.

Writ of summons against the Company

On 9 September 2025, the Company received a writ of summons (the "Writ") filed at the High Court of the Hong Kong Special Administration Region by Chen Rijuan as plaintiff against the Company as defendant. The plaintiff demanded the Company to repay the 6% coupon bonds (the "Bonds") held by the plaintiff in the principal sum of HK\$10,000,000 plus interest and costs.

The Company is of the view that the maturity date of the Bonds is 21 May 2026 and the Company is not obliged to repay the Bonds until then. Thus, the Company is seeking legal advice in relation to the Writ. The Board takes the view that the above litigation has no material impact on the business or financial position of the Company.



OTHER INFORMATION



CORPORATE GOVERNANCE

Code on corporate governance practices

For the first half of 2025, the Board is of the view that the Company has complied with the principles and the code provisions set out in the Corporate Governance Code in Appendix C1 (the “CG Code”) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), save for the exceptions specified and explained below:

According to the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the six months ended 30 June 2025, there have been no Chairman in the Company. Mr. Fung Pak Kei (“Mr. Fung”), Mr. Ho Hon Chung, Ivan (“Mr. Ho”) and Mr. Cheung Hoi Kin (“Mr. Cheung”) acted as Chief Executive Officer, Acting Chief Executive Officer and Chief Financial Officer of the Group respectively. Subsequently, Mr. Ho retired on 30 May 2025 and did not hold any positions within the Company or its subsidiaries after his retirement. Mr. Fung is responsible for all day-to-day corporate management matters and Mr. Cheung is responsible for corporate financial matters.

According to the code provision F.1.3 of the CG Code, the chairman of the Board should attend the annual general meeting and invite for the chairmen of the Audit, Nomination and Remuneration Committees to answer the questions at the general meeting. Since there was no Chairman in the Company during the six months ended 30 June 2025, the Company did not comply with code provision F.1.3 of the CG Code. The Company had arranged for other Directors and management who are well-versed in the Company’s business and affairs to attend the 2025 annual general meeting and communicate with the Shareholders.

The Board does not have the intention to fill the position of Chairman at present and believes that the absence of a Chairman will not have adverse effect to the Company, as decisions of the Company will be made collectively by the Board. The Board will keep reviewing the current structure of the Board and the need of appointment of a suitable candidate to perform the role of Chairman. Appointment will be made to fill the post to comply with the CG Code if necessary.





CORPORATE GOVERNANCE (continued)

Model code for securities transactions by Directors

The Company has adopted a written securities dealing policy which contains a set of code of conduct regarding securities transactions by Directors, the terms of which are on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules (the “Securities Dealing Policy”).

Having made specific enquiry of all Directors of the Company, all Directors have confirmed that they had complied with the required standard set out in the Securities Dealing Policy and its code of conducts regarding the director’s securities transactions during the six months ended 30 June 2025. No incident of non-compliance was noted by the Company during the six months ended 30 June 2025.

Audit Committee

The interim financial information of the Company in this Interim Report has not been audited. However, the Audit Committee has reviewed with the Management the accounting principles and practices adopted by the Group and discussed risk management, internal control and financial reporting matters including a review of the unaudited condensed consolidated results of the Group for the six months ended 30 June 2025 with the Directors. The Audit Committee is of the opinion that the unaudited condensed consolidated results of the Group for the six months ended 30 June 2025 comply with the applicable accounting standards, the Listing Rules and legal requirements and that adequate disclosure has been made.

The Audit Committee comprises all three Independent Non-executive Directors, namely Mr. Leung Chi Hung, Ms. Li Dan and Mr. Lo Chi Wang. Mr. Leung Chi Hung is the chairman of the Audit Committee.



OTHER INFORMATION



CORPORATE GOVERNANCE (continued)

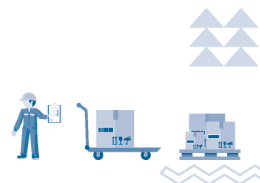
Risk management and internal control

The Board is responsible for ensuring the Group possesses adequate and effective risk management and internal control systems (the “RM and IC Systems”). The Audit Committee then reviews this system. The RM and IC Systems aim to manage potential risks of failure in operational systems so that the Group’s objectives are met, offering reasonable assurance against material misstatements or losses but can never offer an absolute guarantee.

The Group has adopted a series of internal control measures including strengthening of reporting lines of senior management. As a routine procedure and part of the Group’s RM and IC Systems, Executive Directors and senior management meet regularly to review the financial and operating performance of the Group’s key operating subsidiaries. Senior management of each department is also required to keep Executive Directors informed of significant developments in the department’s business and regularly implement strategies and policies set by the Board.

To further strengthen the RM and IC systems of the Group, the Company has engaged an independent professional adviser (the “Internal Control Adviser”) to carry out the internal audit functions by performing an independent appraisal of the adequacy and effectiveness of certain subsidiaries’ RM and IC systems. The Internal Control Advisor is conducting their appraisal for the current fiscal year as of the report date.





CORPORATE GOVERNANCE (continued)

Risk management and internal control (continued)

During the six months ended 30 June 2025, the Audit Committee, with the assistance of the Internal Control Adviser, has developed the current year's RM and IC systems appraisal plan. The scope of the current fiscal year's RM and IC system evaluation plan focused on reviewing the following:

- (i) Follow-up review on “Moderate” risk and “High” risk findings in FY 2024 report
- (ii) Entity level: Assess the compliance on Listing Rules; Appendix C1 – Corporate Governance Code; and Appendix C3 – Model Code for Securities Transactions by Directors of Listed Issuer
- (iii) the cold storage and related services segment: Fixed assets; Financial reporting; and I.T. general controls
- (iv) the ancillary logistic services segment: Financial reporting and I.T. general controls

During the six months ended 30 June 2025, the Board was satisfied that the Group's risk management and internal control processes were adequate to meet the needs of the Group in its current business environment and that nothing had come to their attention to cause them to believe the Group's RM and IC Systems were inadequate. The existing RM and IC Systems were effective and adequate, and the Board would continue to review, strengthen, or update them in response to changes in the operating environment.

OTHER INFORMATION

CHANGES IN THE INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY

Save as disclosed below, there are no changes in the information of directors and chief executives of the Company required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published Annual Report and until the Board Meeting that approved this Interim Report dated 28 August 2025.

	Appointment (effective)	Cessation (effective)
Ho Hon Chung, Ivan – Executive Director, Acting Chief Executive Officer & Authorised Representative of the Company		30 May 2025
Au Tat Wai – Non-executive Director		30 May 2025
Fung Wa Ko – Non-executive Director		30 May 2025
Fung Pak Kei – Authorised Representative of the Company	30 May 2025	
Kwan Nga Chung – Member of Nomination Committee	30 May 2025	
Leung Chi Hung – Lead Independent Non-executive Director	30 May 2025	
Tse Yuen Ming – Independent Non-executive Director, chairman of Nomination Committee, and member of Audit Committee and Remuneration Committee		8 August 2025
He Xinyu – Executive Director	8 August 2025	
Li Dan – Independent Non-executive Director, chairman of Nomination Committee, and member of Audit Committee and Remuneration Committee	8 August 2025	

By order of the Board
HE XINYU
Executive Director

Hong Kong, 28 August 2025

