



**Hua Lien International
(Holding) Company Limited**

Incorporated in the Cayman Islands with limited liability
Stock Code: 969

2025

INTERIM REPORT



UNAUDITED INTERIM RESULTS

The board of directors (the “Directors”) (the “Board”) of Hua Lien International (Holding) Company Limited (the “Company”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30th June 2025 together with the comparative figures as follow:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30th June 2025

		Six months ended 30th June	
		2025	2024
		(unaudited)	(unaudited)
	Notes	HK\$'000	HK\$'000
Turnover	(3)	73,486	87,896
Cost of sales		(44,976)	(54,214)
Gross profit		28,510	33,682
Changes in fair value of biological assets	(11)	(1,172)	(5,114)
Other income, net		3,064	3,582
Administrative expenses		(17,256)	(19,346)
Other operating expenses	(4)	(3,342)	(3,086)
Finance costs	(5)	(22,928)	(20,325)
Loss before income tax expense		(13,124)	(10,607)
Income tax expense	(7)	–	–
Loss for the period	(6)	(13,124)	(10,607)
Loss for the period attributable to:			
Owners of the Company		(7,471)	(9,666)
Non-controlling interests		(5,653)	(941)
		(13,124)	(10,607)
Loss per share	(8)	HK Cent	HK Cent
– Basic (cents per share)		(0.3410)	(0.4411)
– Diluted (cents per share)		(0.3410)	(0.4411)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30th June 2025

	Six months ended 30th June	
	2025	2024
	(unaudited) HK\$'000	(unaudited) HK\$'000
Notes		
Loss for the period	(13,124)	(10,607)
Other comprehensive income for the period, net of tax		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operation	3,979	8,028
Total comprehensive loss for the period	(9,145)	(2,579)
Total comprehensive loss for the period attributable to:		
Owners of the Company	(7,552)	(3,648)
Non-controlling interests	(1,593)	1,069
	(9,145)	(2,579)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30th June 2025

	Notes	30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
Non-current assets			
Property, plant and equipment	(10)	12,233	5,210
Intangible asset		–	–
Right-of-use assets		–	–
Total non-current assets		12,233	5,210
Current assets			
Biological assets – growing cane	(11)	10,428	15,849
Inventories	(12)	48,260	11,223
Trade and other receivables	(13)	4,228	3,776
Bank balances, deposits and cash	(14)	34,961	29,717
Total current assets		97,877	60,565
Total assets		110,110	65,775
Current liabilities			
Trade and other payables	(15)	560,088	533,886
Contract liabilities		1,491	2,003
Lease liabilities	(16)	1,263	1,344
Amount due to non-controlling interests		659,896	631,268
Total current liabilities		1,222,738	1,168,501
Net current liabilities		(1,124,861)	(1,107,936)
Total assets less current liabilities		(1,112,628)	(1,102,726)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

		30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
	Notes		
Non-current liabilities			
Lease liabilities	(16)	23,270	24,027
Net liabilities		(1,135,898)	(1,126,753)
Capital and reserves			
Share capital	(17)	219,118	219,118
Reserves		(1,135,277)	(1,127,725)
Capital deficiency attributable to owners of the Company		(916,159)	(908,607)
Non-controlling interests		(219,739)	(218,146)
Total capital deficiency		(1,135,898)	(1,126,753)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th Jun 2025

	Attributable to owners of the Company						Attributable to non-controlling interests HK\$'000	Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Special reserve (Note) HK\$'000	Accumulated losses HK\$'000	Total HK\$'000		
At 1st January 2025 (audited)	219,118	708,392	7,136	(25,391)	(1,817,862)	(908,607)	(218,146)	(1,126,753)
Loss for the period	-	-	-	-	(7,471)	(7,471)	(5,653)	(13,124)
Exchange differences arising on translation of foreign operations	-	-	(81)	-	-	(81)	4,060	3,979
Total comprehensive expense for the period	-	-	(81)	-	(7,471)	(7,552)	(1,593)	(9,145)
At 30th June 2025 (unaudited)	219,118	708,392	7,055	(25,391)	(1,825,333)	(916,159)	(219,739)	(1,135,898)

For the six months ended 30th June 2024

	Attributable to owners of the Company						Attributable to non-controlling interests HK\$'000	Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Special reserve (Note) HK\$'000	Accumulated losses HK\$'000	Total HK\$'000		
At 1st January 2024 (audited)	219,118	708,392	(6,696)	(25,391)	(1,785,682)	(890,259)	(211,802)	(1,102,061)
Loss for the period	-	-	-	-	(9,666)	(9,666)	(941)	(10,607)
Exchange differences arising on translation of foreign operations	-	-	6,018	-	-	6,018	2,010	8,028
Total comprehensive expense for the period	-	-	6,018	-	(9,666)	(3,648)	1,069	(2,579)
At 30th June 2024 (unaudited)	219,118	708,392	(678)	(25,391)	(1,795,348)	(893,907)	(210,733)	(1,104,640)

Note: The special reserve represents the difference between the consideration paid by the Company for the acquisition of the 70% equity interest in Joyful Right Limited and its subsidiaries (the "Joyful Right Group") under common control and the aggregate carrying amount of assets and liabilities acquired in Joyful Right Group.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30th June 2025

	Six months ended 30th June 2025 (unaudited) HK\$'000	2024 (unaudited) HK\$'000
Operating income before working capital changes	19,135	12,205
Decrease in biological assets	1,172	5,114
Increase in inventories	(37,194)	(27,139)
Increase in trade and other receivables	(504)	(57)
Increase in trade and other payables	26,309	5,591
Decrease in contract liabilities	(511)	(5,603)
Net cash generated from (used in) operating activities	8,407	(9,889)
Cash flow from investing activities		
Acquisition of property, plant and equipment	(12,375)	(3,125)
Interest received	8	31
Net cash used in investing activities	(12,367)	(3,094)
Cash flow from financing activities		
Payment of lease liabilities	(2,114)	(2,102)
Advance from non-controlling interests	11,556	8,499
Net cash from financing activities	9,442	6,397
Net increase (decrease) in cash and cash equivalents	5,482	(6,586)
Cash and cash equivalents at the beginning of the period	29,717	37,464
Effect of foreign exchange rate changes	(238)	4,764
Cash and cash equivalents at the end of the period	34,961	35,642
Analysis of the balance of cash and cash equivalents		
Current bank balances and cash	34,958	35,639
Short-term fixed deposits mature within three months	3	3
	34,961	35,642

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30th June 2025 have been prepared in accordance with Hong Kong Accounting Standard (the “HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”). This should be read in conjunction with the annual financial statements of the Group for the year ended 31st December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRS”).

Going concern basis

The unaudited condensed consolidated interim financial statements have been prepared on a going concern basis. The Group incurred a consolidated net loss of approximately HK\$13,124,000 during the period (six months ended 30th June 2024: approximately HK\$10,607,000) and as of that date, the Group had net current liabilities and net liabilities of approximately HK\$1,124,861,000 (31st December 2024: approximately HK\$1,107,936,000) and approximately HK\$1,135,898,000 (31st December 2024: approximately HK\$1,126,753,000) respectively. These conditions may cast significant doubt about the Group’s ability to continue as a going concern.

In view of these circumstances and for the purpose of assessing the appropriateness of the use of the going concern basis in the preparation of the consolidated financial statements, the directors have prepared a cash flow forecast (“Forecast”) covering a period of 12 months from the date of approval of these consolidated financial statements for issue. In preparing the Forecast, careful considerations are given to the future liquidity and performance of the Group and its available sources of finance and the following measures:

- (a) the substantial shareholder, Guangken Sugar Industry International Co., Ltd. (formerly known as, COMPLANT International Sugar Industry Co., Ltd.) (“Guangken Sugar”), had granted another irrevocable supplemental undertaking (the “Third Supplemental Undertaking”) on 22th December 2023 in favour of the Company. Pursuant to the Third Supplemental Undertaking, conditional upon the entering into of an agreement for a formal repayment plan, Guangken Sugar will not demand repayment of or performance of obligations under the amount payable on demand of HK\$518,099,000 before 31st December 2025 (the “Extended Period”);



1. BASIS OF PREPARATION *(Continued)***Going concern basis** *(Continued)*

- (b) Guangken Sugar has undertaken at least for the period of the Forecast to provide continuing financial support, including not to recall the amounts due to it, until the Group is able to pay its other creditors in the normal course of business, in order to maintain the Group as a going concern; and
- (c) The Company will take the Extended Period to improve its financial performance of the Group to enable the Company to bargain for more favourable terms when restructuring the liabilities.

Assuming the achieving of the Forecast (which had contemplated the continuing financial support from Guangken Sugar remaining intact and its capability of doing so) and the successful implementation of the above measures, the directors were of the opinion that the Group would have sufficient financial resources to finance the operations and meet its financial obligations as and when they fall due. Accordingly, it is appropriate to prepare the consolidated financial statements on a going concern basis notwithstanding that a material uncertainty exists related to the above conditions that may cast significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Should the going concern assumption be inappropriate, adjustments may have to be made to write down the values of assets to their net realisable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared on the historical cost basis, except for biological assets and certain financial instruments, which are measured at fair values.

Other than changes in accounting policies resulting from application of amendments to HKFRSs, the accounting policies and methods of computation used in the unaudited condensed consolidated interim financial statements for the six months ended 30th June 2025 are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31st December 2024.

(a) New and amendments to standards adopted by the Group

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRSs issued by the HKICPA for the preparation of the Group's unaudited condensed consolidated financial statements:

HKAS 21 and HKFRS 1 (Amendments)	Lack of Exchangeability
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The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these unaudited condensed consolidated financial statements and/or disclosures set out in these unaudited condensed consolidated financial statements.



2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

- (b) The following new or revised HKFRSs, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group has already commenced an assessment of the impact of these new and amendments to Standards and none of those are expected to have material impact on the Group's accounting policies.

Standards

Amendments to HKFRS
Accounting Standards
Amendments to HKFRS 9 and
HKFRS 7
Amendments to HKFRS 9 and
HKFRS 7
HKFRS 18
HKFRS 19

Subject of amendment

Annual Improvements to HKFRS Accounting
Standards – Volume 11¹
Amendments to the Classification and
Measurement of Financial Instruments¹
Contracts Referencing Nature – dependent
Electricity¹
Presentation and Disclosure in Financial
Statements²
Subsidiaries without Public Accountability:
Disclosures²

¹ Effective for annual periods beginning on or after 1st January 2026

² Effective for annual periods beginning on or after 1st January 2027

3. TURNOVER AND SEGMENT INFORMATION

The Group is principally engaged in provision of supporting services and sweetener business and cultivation of sugar cane and manufacturing of sugar. Turnover represents the invoiced value of goods sold to external customers during the period, after allowances for returns and trade discounts. The Group recognised revenue at a point in time.

The Group's reportable and operating segments, based on information reported to the chief executive officer, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance focuses on types of goods. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

- Supporting services to sweetener and ethanol business (the “Supporting services”);
- Sugar cane growing and sugar manufacturing business (the “Sugar business”); and
- Ethanol biofuel business (the “Ethanol business”).



3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

The following is an analysis of the Group's revenue, results, assets and liabilities by reportable segments:

	Supporting services (unaudited) HK\$'000	Sugar business (unaudited) HK\$'000	Ethanol business (unaudited) HK\$'000	Total (unaudited) HK\$'000
Six months ended 30th June 2025				
Segment revenue from contracts with customers				
Segment revenue	-	73,486	-	73,486
Inter-segment sales	-	-	-	-
Segment revenue from external customers	-	73,486	-	73,486
Segment results	4,328	(22,443)	848	(17,267)
Unallocated corporate income, net				4,143
Loss before income tax				(13,124)
At 30th June 2025				
Assets and liabilities				
Segment assets	10,035	94,507	345	104,887
Corporate and other unallocated assets				5,223
Total assets				110,110
Segment liabilities	9,100	717,700	-	726,800
Corporate and other unallocated liabilities				519,208
Total liabilities				1,246,008

3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

	Supporting services (unaudited) HK\$'000	Sugar business (unaudited) HK\$'000	Ethanol business (unaudited) HK\$'000	Total (unaudited) HK\$'000
Six months ended 30th June 2024				
Segment revenue from contracts with customers				
Segment revenue	–	87,896	–	87,896
Inter-segment sales	–	–	–	–
Segment revenue from external customers	–	87,896	–	87,896
Segment results	(612)	(2,541)	(704)	(3,857)
Unallocated corporate income, net				(6,750)
Loss before income tax				(10,607)
At 31st December 2024				
Assets and liabilities				
Segment assets	10,008	48,751	343	59,102
Corporate and other unallocated assets				6,673
Total assets				65,775
Segment liabilities	9,072	664,167	–	673,239
Corporate and other unallocated liabilities				519,289
Total liabilities				1,192,528

Inter-segment sales are conducted with terms mutually agreed by both contract parties.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent results of each segment without allocation of central administration costs, directors' remuneration, interest income and finance costs. This is the measure reported to the chief executive officer with respect to the resource allocation and performance assessment.



3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segment, other than certain bank balance and cash of head office.
- All liabilities are allocated to operating segments, other than other payables and accrued liabilities of head office.

Other reportable segment information

Six months ended 30th June 2025	Supporting services (unaudited) HK\$'000	Sugar business (unaudited) HK\$'000	Ethanol business (unaudited) HK\$'000	Total (unaudited) HK\$'000
Amounts included in the measure of segment result for segment assets:				
Additions to property, plant and equipment	—	12,376	—	12,376
Depreciation	—	1,855	—	1,855
Impairment loss on property, plant and equipment	—	3,342	—	3,342
Six months ended 30th June 2024	Supporting services (unaudited) HK\$'000	Sugar business (unaudited) HK\$'000	Ethanol business (unaudited) HK\$'000	Total (unaudited) HK\$'000
Amounts included in the measure of segment result for segment assets:				
Additions to property, plant and equipment	—	3,125	—	3,125
Depreciation	—	1,212	—	1,212
Impairment loss on property, plant and equipment	—	1,499	—	1,499
Impairment loss on trade receivables	332	—	—	332
Write-down on inventory of spare parts for property, plant and equipment	—	1,255	—	1,255

3. TURNOVER AND SEGMENT INFORMATION *(Continued)*

Geographic Information

Revenue from external customers

	Six months ended 30th June	
	2025	2024
	(unaudited) HK\$'000	(unaudited) HK\$'000
Jamaica	73,486	87,896
The United States	—	—
	73,486	87,896

The revenue information from operations above is based on the location of the customers.

Non-current assets

	30th June	31st December
	2025	2024
	(unaudited) HK\$'000	(audited) HK\$'000
Jamaica	12,226	5,203
The People's Republic of China	7	7
African Countries	—	—
	12,233	5,210

The non-current assets information is based on the location of assets.



4. OTHER OPERATING EXPENSES

	Six months ended 30th June	
	2025	2024
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Impairment loss on property, plant and equipment	3,342	1,499
Write-down on inventory of spare parts for property, plant and equipment	—	1,255
Impairment loss on trade receivables	—	332
	3,342	3,086

5. FINANCE COSTS

	Six months ended 30th June	
	2025	2024
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Interest on amounts due to non-controlling interests	9,312	11,590
Interest on lease liabilities	964	974
Exchange loss	12,652	7,761
	22,928	20,325

6. LOSS FOR THE PERIOD

	Six months ended 30th June	
	2025	2024
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Loss for the period has been arrived at after charging:		
Cost of inventories recognised as an expense	44,976	54,214
Depreciation of property, plant and equipment	1,855	1,212
Short-term leases expenses	286	283
Loss on disposal of property, plant and equipment	33	74
Write-down on inventory of spare parts for property, plant and equipment	–	1,255

7. INCOME TAX EXPENSE

No provision for income tax has been made in the unaudited condensed consolidated interim financial statements as the Company and its subsidiaries have no assessment profits or there is no taxation in relevant jurisdictions where they operate.

8. LOSS PER SHARE

The calculation of basic loss per share was based on the consolidated loss for the period attributable to equity holders of the Company of approximately HK\$7,471,000 (six months ended 30th June 2024: approximately HK\$9,666,000), and the weighted average number of 2,191,180,000 (30th June 2024: 2,191,180,000) ordinary shares in issue during the period.

No diluted earnings per share is calculated for both the six months period ended 30th June 2025 and 30th June 2024 as there was no potential diluted ordinary share in existence.

9. DIVIDEND

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



10. ADDITIONS OF PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$12,376,000 (six months ended 30th June 2024: approximately HK\$3,125,000) on acquisition of property, plant and equipment.

11. BIOLOGICAL ASSETS – GROWING CANE

	30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
Opening balance	15,849	17,606
Cane cultivation cost capitalised	36,758	49,056
Decrease in fair value of cane harvested	(40,753)	(38,411)
Change in fair value	(1,172)	(12,125)
Exchange realignment	(254)	(277)
Closing balance	10,428	15,849

The decrease in fair value of growing cane for the period ended of approximately HK\$1,172,000 (six months ended 30th June 2024: approximately HK\$5,114,000) was reflected in the profit or loss.

12. INVENTORIES

	30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
Consumables and components	45,872	41,626
Good in transit	14	401
Sugar and molasses	32,896	152
Write-down	78,782 (30,522)	42,179 (30,956)
Net realisable value	48,260	11,223

12. INVENTORIES *(Continued)*

At 30th June 2025, the sugar and molasses consisted of 4,634 tonnes (31st December 2024: 21 tonnes) of raw sugar and 11 tonnes (31st December 2024: Nil) of molasses with carrying amounts of approximately HK\$32,884,000 (31st December 2024: approximately HK\$152,000) and HK\$12,000 (31st December 2024: HK\$ Nil) respectively.

During the period ended 30th June 2025, there was no write-down of inventories (six months ended 30th June 2024: HK\$1,255,000) for consumables and components related to property, plant and equipment. Movement in write-down of consumables and components during the period/year was as follows:

	30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
At the beginning of the period/year	30,956	27,725
Write-down on inventory of spare parts for property, plant and equipment	–	3,668
Exchange realignment	(434)	(437)
At the end of period/year	30,522	30,956

13. TRADE AND OTHER RECEIVABLES

	30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
Trade receivables	43,871	42,877
Less: Impairment loss	(42,796)	(42,800)
	1,075	77
Prepayments	2,103	2,475
Other receivables and deposits	1,050	1,224
	4,228	3,776

The Group does not hold any collateral over these balances.



13. TRADE AND OTHER RECEIVABLES *(Continued)*

The Group allows a credit period of 90-365 days (31st December 2024: 90-365 days) to its customers of Supporting services, 30 days (31st December 2024: 30 days) to customers of raw sugar trading and 60 days (31st December 2024: 60 days) to customers of molasses trading. The following is an ageing analysis of trade receivables presented based on the invoice date and prior to impairment loss at the end of the reporting period are as follows:

	30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
0 — 30 days	342	3
31 — 60 days	2	—
61 — 90 days	701	3
91 — 365 days	31	71
> 365 days	42,795	42,800
	43,871	42,877

The other classes within trade and other receivables do not contain impaired assets.

The Group recognised impairment loss based on the accounting policy for the period and year ended 30th June 2025 and 31st December 2024 respectively.

14. BANK BALANCES, DEPOSITS AND CASH

	30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
Bank balances and cash	34,958	29,714
Short-term fixed deposits mature within three months	3	3
Cash and cash equivalents	34,961	29,717

Bank balances comprise time and demand deposits at bank which bear interest at the prevailing market rates.

15. TRADE AND OTHER PAYABLES

	30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
Trade payables	2,078	1,940
Other payables and accrued liabilities	558,010	531,946
	560,088	533,886

Trade payables credit period granted by trade creditors of Supporting services is 0-365 days (31st December 2024: 0-365 days) while credit period granted by trade creditors of Sugar business is 30 days (31st December 2024: 30 days).

The following is an analysis of trade payables by age based on due date.

	30th June 2025 (unaudited) HK\$'000	31st December 2024 (audited) HK\$'000
Not yet due	74	678
Overdue 1 — 90 days	1,709	963
Overdue 91 — 180 days	—	—
Overdue 181 — 365 days	—	19
Overdue > 365 days	295	280
	2,078	1,940

The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

As at 30th June 2025 and 31st December 2024, included in other payables and accrued liabilities was an amount due to Guangken Sugar of approximately HK\$518,099,000 upon the maturity of the convertible notes on 27th February 2019. The amount due was unsecured, interest-free and repayment on demand.



16. LEASE LIABILITIES

Future lease payments were due as follows:

			At 30th June 2025	At 31st December 2024
	Minimum lease payments (unaudited) HK\$'000	Interest (unaudited) HK\$'000	Present value of minimum lease payments (unaudited) HK\$'000	Present value of minimum lease payments (audited) HK\$'000
Within one year	2,114	851	1,263	1,344
After one but within two years	2,114	941	1,173	1,249
After two but within five years	6,342	3,298	3,044	3,238
More than five years	63,502	44,449	19,053	19,540
	71,958	48,688	23,270	24,027
	74,072	49,539	24,533	25,371

The present value of future lease payments were analysed as:

	At 30th June 2025 (unaudited) HK\$'000	At 31st December 2024 (audited) HK\$'000
Current liabilities	1,263	1,344
Non-current liabilities	23,270	24,027
	24,533	25,371

17. SHARE CAPITAL

	Number of shares '000	Value HK\$'000
Ordinary share of HK\$0.1 each		
Authorised:		
As at 31st December 2024 (audited) and 30th June 2025 (unaudited)	6,000,000	600,000
Issued and fully paid:		
As at 31st December 2024 (audited) and 30th June 2025 (unaudited)	2,191,180	219,118

18. CAPITAL COMMITMENTS

As at 30th June 2025 and 31st December 2024, the Group did not have any significant capital commitments.



19. RELATED PARTY TRANSACTIONS AND BALANCES

Other than disclosed elsewhere in the unaudited condensed consolidated interim financial statements, the transactions for the period and balances at 30th June 2025 with consolidated related parties are as follows:

(a) Transaction with related parties:

	Six months ended 30th June	
	2025	2024
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Exempted Continuing Connected Transaction		
Rental and building management fee paid to China National Complete Plant Import and Export Group Corporation Limited ("China Complant", a former substantial shareholder of the Company within past 12 months), and its wholly subsidiary, COMPLANT Hong Kong Limited	286	283

Notes:

- The above exempted continuing connected transactions with related party was conducted with terms mutually agreed by both contract parties with reference to market prices. The decrease in rental and building management fee paid during the period was mainly due to the decrease in office chargeable rental during the period.
- Due to the proposed non-exempted continuing connected transactions were voted down by the independent shareholders on the extraordinary general meeting held on 31st May 2019. The supporting service business segment cannot carry out any non-exempted continuing connected transaction with its customers who presently are all connected parties, therefore, the Group had not entered into any non-exempted continuing connected transaction during both the six months ended 30th June 2025 and 2024.

19. RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)***(b) Trade and other receivables and trade and other payable of related parties**

During the six months ended 30th June 2025 and 31st December 2024, the Group did not have any trade and other receivables and trade and other payable of related parties

(c) Remuneration of key management during the period was as follows:

Directors are regarded the only key management personnel of the Company. During the six months ended 30th June 2025 and 2024, there were no remuneration of key management personnel became due and accrued.

20. PLEDGE OF ASSETS

As at 30th June 2025 and 31st December 2024, the Group did not have any pledge of assets.

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The directors of the Company consider that those carrying amounts of financial assets and financial liabilities recorded at amortised cost in the unaudited condensed consolidated financial statements approximate their fair values.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

OVERALL PERFORMANCE

For the six months ended 30th June 2025, the turnover of the Group decreased by approximately 16.4% to approximately HK\$73.5 million (six months ended 30th June 2024: approximately HK\$87.9 million).

The amount of overall gross profit for the period decreased by approximately HK\$5.2 million to approximately HK\$28.5 million (six months ended 30th June 2024: approximately HK\$33.7 million) and the overall gross profit margin increased slightly by about 0.5 percentage point to approximately 38.8% (six months ended 30th June 2024: approximately 38.3%). As further elaborated below, such slight increase of gross profit percentage in amount and percentage was mainly due to the selling prices adjustment during the period.

The loss for the period increased by approximately HK\$2.5 million to approximately HK\$13.1 million (six months ended 30th June 2024: approximately HK\$10.6 million).

As further elaborated below, the increase in loss before taxation was mainly due to the net combined effect of positive impacts and negative impact. The positive impacts which included: (i) a decrease of loss on fair value of biological assets of approximately HK\$3.9 million as a result of expansion in sugar planting area by 101 hectares; (ii) a decrease in administrative expenses of approximately HK\$2.1 million mainly as a result of the decrease in legal and financial advisory fees for dealing with the mandatory general offer in last period as well as the negative impacts which included; (iii) a decrease in gross profit of approximately HK\$5.2 million due to the decline in sale volume which was caused by drop in production outputs; (iv) a decrease in other income of approximately HK\$0.5 million mainly due to the decrease in sales of materials to sub-contractors; (v) an increase in other operating expense of approximately HK\$0.2 million mainly for increase in impairment loss for bearer plant, during the period; and (vi) an increase of approximately HK\$2.6 million in finance cost mainly by virtue of the increase in unrealised foreign exchange loss during the period.

Basic loss per share for the period was approximately HK0.34 cent (six months ended 30th June 2024: approximately HK0.44 cent).

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

Sugar Cane Growing and Sugar Manufacturing Business in Jamaica

Business review

The Joyful Right Limited is the holding company of Pan-Caribbean Sugar Company Limited (“PCSC”) which has operated the three sugar estates, namely Bernard Lodge Sugar Estate, Monymusk Sugar Estate and Frome Sugar Estate and two sugar factories, namely Monymusk Sugar Factory and Frome Sugar Factory in Jamaica since 15th August 2011, a 70% indirectly owned subsidiary of the Company, together called “Joyful Right Group”. Due to the severe business environment for the sugar cane growing and sugar manufacturing business in Jamaica, the Group has suspended certain agricultural and factory operations that are under serious loss since June 2016, which include two sugar estates of Bernard Lodge Sugar Estate and Monymusk Sugar Estate as well as one sugar factory of Monymusk Sugar Factory. Joyful Right Group resumed the operation of Monymusk Sugar Factory in year 2018 and suspended again the operation in year 2019 and continues to operate the Frome Sugar Estate and Frome Sugar Factory. The following analysis of sugar cane growing and sugar manufacturing business in Jamaica is based on Joyful Right Group.

For the turnover, Joyful Right Group recorded a turnover of approximately J\$1,502.8 million (approximately HK\$73.5 million) for the six months ended 30th June 2025 (six months ended 30th June 2024: approximately J\$1,757.9 million (approximately HK\$87.9 million)). Joyful Right Group sold approximately 4,936 tonnes of raw sugar amounting to approximately J\$1,177.6 million (approximately HK\$57.6 million) and approximately 7,990 tonnes of molasses amounting to approximately J\$325.2 million (approximately HK\$15.9 million) for the six months ended 30th June 2025 compared with approximately 6,251 tonnes of raw sugar amounting to approximately J\$1,391.0 million (approximately HK\$69.6 million) and approximately 10,509 tonnes of molasses amounting to approximately J\$366.9 million (approximately HK\$18.3 million) for the same period last year.



The above approximately 16.4% decrease in total revenue was mainly contributing from the approximately J\$213.4 million (approximately HK\$10.4 million) decrease in raw sugar and molasses revenue. The decrease in raw sugar and molasses revenue were the combined results of the approximately 7.2% and approximately 16.6% increase in average selling price of raw sugar and molasses respectively and of the approximately 21.0% and approximately 24.0% decrease in sales volume of raw sugar and molasses respectively. On the price side, the approximately 7.2% and approximately 16.6% increase in average price of raw sugar and molasses was mainly due to the adverse weather conditions in major sugar-producing regions impacted crop yields contributing to price increases. On the volume side, as explained in following paragraph, the approximately 21.0% and approximately 24.0% decrease in the sales volume of raw sugar and molasses respectively was resulting from approximately 1,600 tonnes (approximately 13.7%) and 1,100 tonnes (approximately 12.1%) decrease in production output of raw sugar and molasses respectively.

Joyful Right Group produced approximately 9,500 tonnes of raw sugar and approximately 8,000 tonnes of molasses for the six months ended 30th June 2025 by crushing input of sugar cane of approximately 153,700 tonnes as compared with approximately 11,100 tonnes of raw sugar and approximately 9,100 tonnes of molasses for the six months ended 30th June 2024 by crushing input of sugar cane of approximately 176,200 tonnes. The approximately 1,600 tonnes (approximately 13.7%) decrease in production volume of raw sugar and approximately 1,100 tonnes (approximately 12.1%) declined in production volume in molasses were caused by the input of sugarcane decreased by about 22,600 tons (about 12.8%), so the total raw sugar and molasses output also decreased accordingly. The decrease in sugar cane input was due the impact of Hurricane Beryl and persistent rainfall last year resulting in decline in sugarcane yields.

The table below shows geographical analysis of turnover of sugar and molasses.

	Six months ended 30th June					
	2025			2024		
	J\$ million	HK\$ million	% of Turnover	J\$ million	HK\$ million	% of Turnover
By region						
Jamaica	1,502.8	73.5	100.0	1,757.9	87.9	100.0
United States	-	-	-	-	-	-
	1,502.8	73.5	100.0	1,757.9	87.9	100.0

Jamaica remains the principal market for Joyful Right Group. The domestic sales in Jamaica accounted for 100.0% (six months ended 30th June 2024: approximately 100.0%) of total sales and the export to United States accounted for approximately 0.0% (six months ended 30th June 2024: approximately 0.0%). The change in sales mix was mainly due to the effect of reduction in competition from the closure of more sugar mills in Jamaica (like Golden Grove Factory in 2019 and Appleton Estate Sugar Factory in 2020). This reduction in competition resulted in the decrease in supply that contributed to the rise in sales volume of the domestic sales in Jamaica. Furthermore, the average selling price in Jamaica for this period was still higher than that in international markets. As production output fell by, the raw sugar produced during the period was only sufficient to fulfill the demand of local market in Jamaica and there is no excess surplus for export to United States during the period under review.

In terms of gross trading results, the Joyful Right Group recorded a gross profit of approximately J\$583.0 million (approximately HK\$28.5 million) for the six months ended 30th June 2025 (six months ended 30th June 2024: approximately J\$673.6 million (approximately HK\$33.7 million)). The amount of gross profit decreased by approximately J\$90.6 million (approximately HK\$4.4 million) with the decrease in sale volume when production declined. The gross profit margin increased by approximately 0.5 percentage point to approximately 38.8% for the six months ended 30th June 2025 as compared with approximately 38.3% for the same period last year. The approximately 0.5 percentage point increase in gross profit margin during the period was mainly because the approximately 7.2% and approximately 24.0% respective increase in average selling prices of raw sugar and molasses slightly greater than that of the production costs increase.



In term of net operation results, this segment recorded a net loss of approximately J\$390.7 million (approximately HK\$22.4 million) for the six months ended 30th June 2025 (six months ended 30th June 2024: approximately J\$57.8 million (approximately HK\$2.5 million)). The approximately J\$332.9 million (approximately HK\$19.9 million) decrease in net loss was mainly due to combined effect of following positive impacts and negative impacts. The positive impact on net operation results included a decrease of loss on fair value of biological assets of approximately J\$78.3 million (approximately HK\$3.9 million) as a result of expansion in sugar planting area by 101 hectares. Those negative impacts on net operation results included (i) an decrease in gross profit of approximately J\$133.5 million (approximately HK\$7.3 million) owing to the decrease in production output of raw sugar and molasses from the decrease in sugar cane input arising from the adverse weather during the period; (ii) a decrease in other income of approximately J\$8.5 million (approximately HK\$0.5 million) mainly from the decrease in sales of materials to sub-contractors; (iii) an increase in other expense of approximately J\$6.4 million (approximately HK\$0.3 million) for the increase in impairment loss of bearer plant during the period; (iv) an increase in administrative expenses of approximately J\$20.4 million (approximately HK\$0.7 million) mainly resulting from increase in administrative staff cost during the period and (v) an increase of approximately J\$242.4 million (approximately HK\$15.0 million) in finance cost mainly by virtue of the increase in unrealised foreign exchange loss during the period.

Supporting services to sweetener and ethanol business

Business review

The turnover from customers outside the Group for the six months ended 30th June 2025 was HK\$ Nil (six months ended 30th June 2024: HK\$ Nil). The reason for no revenue during the six months ended 30th June 2025 was because the three years annual cap for the continuing connected transactions from 2019 to 2021 was voted down by independent shareholders on extraordinary general meeting held on 31st May 2019, the supporting services business segment cannot carry out any continuing connected transaction with its customers who presently are all connected parties, therefore, the supporting services business segment does not record any segment revenue during the six months ended 30th June 2025.

The gross profit for the six months ended 30th June 2025 was also HK\$ Nil (six months ended 30th June 2024: HK\$ Nil). The gross profit ratio after elimination of inter-segment sales was HK\$ Nil (six months ended 30th June 2024: HK\$ Nil). There was no gross profit because of no turnover from customers outside the Group as explained above.

The net operating profit of this segment for the six months ended 30th June 2025 was of approximately HK\$4.3 million (six months ended 30th June 2024: the net operating loss of approximately HK\$0.6 million). The net operating profit for the six months ended 30th June 2025 was mainly due to the net exchange gain on the translation of foreign currencies.

Ethanol Business

Business review

Reference is made to the announcement of the Company dated 3rd March 2014 in relation to the impairment losses on ethanol biofuel business in Benin. Terms used in this announcement shall have the same meanings as those defined in the announcement dated 3rd March 2014 unless otherwise defined herein.



The ethanol operation in Benin is operated by Compagnie Beninoise De Bioenergie SA ("CBB"), a company incorporated under the Republic of Benin with limited liability and is a 90% indirectly owned subsidiary of the Company. The construction of ethanol plant of CBB continues to suspend during the period because Benin Government is still unable to execute the Leased Land provision in the Cooperation Agreement and Leased Land is still unavailable for CBB for cultivation of cassava and/or sugar cane to supply raw materials of its production of bioethanol. Construction works were still under suspension pending for appropriate alternate business plan.

The net operating profit of this segment for the six months ended 30th June 2025 was of approximately HK\$0.8 million (six month ended 30th June 2024: the net operating loss of approximately HK\$0.7 million). The net operating profit for the six months ended 30th June 2025 was due to the net exchange gain on the translation of foreign currencies.

FINANCIAL REVIEW

Liquidity and Financial Resources Review

Equity

As at 30th June 2025, the Company had 2,191,180,000 outstanding ordinary shares of HK\$0.1 each (31st December 2024: 2,191,180,000 shares).

Capital deficiency attributable to owners of the Company as at 30th June 2025 amounts to approximately HK\$916.2 million (31st December 2024: approximately HK\$908.6 million).

Borrowings

As at 30th June 2025, the Group's Hong Kong total borrowing (that consisted of amount payable on demand to Guangken Sugar, amounts due to non-controlling interests and lease liabilities) of approximately HK\$1,202.5 million (31st December 2024: approximately HK\$1,174.8 million), of which HK\$518.1 million (31st December 2024: HK\$518.1 million) was the amount payable on demand to Guangken Sugar, approximately HK\$659.9 million (31st December 2024: approximately HK\$631.3 million) was the amounts due to non-controlling interests and an approximately HK\$24.5 million (31st December 2024: approximately HK\$25.4 million) was the lease liabilities.

Gearing

As the shareholder's equity attributable to owners of the Company was a deficiency of approximately HK\$916.2 million ((31st December 2024: approximately HK\$908.6 million), the calculation of gearing ratio as at 30th June 2025 and 31st December 2024 were inappropriate.

Financial Resources

Bank deposits and cash balances as at 30th June 2025 amounted to approximately HK\$35.0 million (31st December 2024: approximately HK\$29.7 million), mainly denominated in Hong Kong Dollars, US Dollars and Jamaican dollars. The bank balances were placed in short term deposits with major banks in Hong Kong and Jamaica. The Bank deposits and cash balances decreased by approximately HK\$5.3 million, of which (i) the net cash inflow from operating activities of approximately HK\$8.4 million; (ii) the net cash used in investing activities of approximately HK\$12.3 million; (iii) the net cash inflow from finance activities of approximately HK\$9.4 million; and (iv) net negative effect of exchange rate change on cash and cash equivalents of approximately HK\$0.2 million.



In view of net loss and capital deficiency positions of the Group, the management had implemented the measures, among others, to secure a letter of support from Guangken Sugar not to recall any of the amount due to it until the Group is able to pay its other creditors in the normal course of business as well as to carry out various cost control measures and budgetary controls in order to mitigate the Group's liquidity pressure and to improve the conditions of cash flow. In light of such implemented measures and the Group's cash flow projections, the management and also the Board were satisfied that the Group has the ability to continue to finance its business operations with the internally generated finance resources.

Treasury Policies

The Group continues to adhere to prudent treasury policies. The Group's overall financial and funding policies were aimed to control credit risk to lower the risk of credit sales, the liquidity risk to ensure that funds would be recovered on a timely basis to fulfill the requirement of debt repayment and to closely monitor the overall currency and interest rate exposures to minimize risks in their fluctuation. The Group did not use any derivative financial instruments to hedge for its risk exposure during the period ended 30th June 2025.

Foreign Exchange Exposure

The Group's operates in Jamaica and African countries, China and Hong Kong. During the period ended 30th June 2025, turnover was denominated mainly in US dollar and Jamaican dollar while its costs and expenses were primarily in Jamaican dollar and US dollar where the Group's continuing operations are based. The Group is exposed to potential foreign exchange risk as a result of fluctuations between those currencies that are not pegged. In addition, the main operational assets of the Group are located and denominated in local currencies in Jamaica and African countries while the Group's reporting currency is in Hong Kong dollar. This also exposes the Group to potential foreign exchange risk upon translation of those assets on each reporting date.

The Group did not enter into any arrangements or financial instruments for the purpose of hedging against the potential foreign exchange risks during the period under review. In the event that Jamaican dollar were to depreciated substantially against US dollar, the risk can be mitigated by increasing the sales denominated in US dollar. As for the operational assets of the Group, any foreign exchange losses due to translation of the carrying value of the assets to the Group's reporting currency on reporting dates are unrealised and non-cash in nature. As such, active hedging activities are not considered warranted. Nonetheless, management will monitor closely its foreign currency exposure to ensure appropriate measures are taken promptly against any significant potential adverse impact.

Pledge of assets

As at 30th June 2025 and 31st December 2024, the Group did not have any pledge of assets.

Capital Commitment

As at 30th June 2025 and 31st December 2024, the Group did not have any significant capital commitments.

EMPLOYEE REMUNERATION POLICY

Remuneration policies

Staff remuneration packages of the Group are comprised of salary and discretionary bonuses and are determined with reference to the market conditions and the performance of the Group and the individuals concerned. The Group also provided other staff benefits including medical insurance, provident funds and share options to eligible staff of the Group. The total remuneration paid to the employees (including pension costs and the directors' remuneration) of the Group in the period under review was approximately HK\$33.2 million (six months ended 30th June 2024: approximately HK\$29.9 million), of which, approximately HK\$32.6 million (six months ended 30th June 2024: approximately HK\$29.3 million) was the total staff cost expense in sugar cane growing and sugar manufacturing business in Jamaica. The increase in staff cost was mainly resulting from an approximately 6.7% increase in minimum wage in Jamaica.



As at 30th June 2025, the Group had 101 full time employees (31st December 2024: 144) and 449 temporary employees (31st December 2024: 408).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group had no material acquisition or disposal of subsidiaries, associates or jointly-controlled entities during the period under review.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Reference is made to the announcement made by the Company dated 1st February 2010 and definitions of this announcement are adopted herein, there is no new progress for the MOU signed by the Company and CADFund on 31st January 2010 in respect of the Possible Transactions during the period under review.

Except that, the Group had no other future plans for material investments and capital assets during the period under review.

SIGNIFICANT INVESTMENTS HELD

The Group had not made any significant investment during the period ended 2025 and 2024.

PROSPECTS

Sugar business segment

Raw sugar and molasses price in Jamaica is expected to be stable in second half of the year at moderate increase range of 2% to 4%. The inventory stock of raw sugars and molasses is expected to be fully converted into realized sales in second half of 2025. The overall revenue for year 2025 is expected to report a double-digit percentage decline rate which is at similar magnitude of first half of 2025. On the cost side, the production costs and administrative expenses do not expect a significant uprise in second half of 2025.

The adverse weather condition of persistent heavy rainfall during the first half of the year is improving. While the new investment on new harvesting machine during first half of the year will help to cure the shortage of supply of manual sugar cane cutters in coming crushing season. These two factors coupled with the expansion of growing areas for sugar cane may contribute to an increase the sugarcane yield for coming crushing.

The Jamaican government will continue to provide support to the local sugar industry. The main aspects are as follows: (i) providing road maintenance in sugarcane fields yearly; (ii) strictly restricting the raw sugar import to Jamaica to protect the local sugar industry; (iii) providing sugar cane freight subsidies to some specified sugar cane farmers to support their delivery of their sugarcane to sugar mills process; and (iv) maintaining the Caribbean Sugar Alliance, countries in the Caribbean should be given priority to importing sugar from other sugar-producing countries in the region which is maintaining a protected market places among member countries.

Supporting service segment

The Group expects that Sino-Africa Technology & Trading Limited will continue to suspend those continuing connected transactions with connected parties in second half of 2025.

The supporting service segment will continue to control the cash outflows through maintaining key employee in concurrent post and keeping a small office.

Ethanol business segment

For the Group's ethanol biofuel business, the construction of ethanol plant will continue to suspend in second half of 2025, pending for appropriate alternate business plan for this operation.



DIRECTORS' INTERESTS IN SECURITIES

As at 30th June 2025, none of the Directors of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (as defined in Part XV of the SFO) as recorded in the register required to be maintained under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Company.

SHARE OPTION SCHEME

The Company has, in accordance with Chapter 17 the Listing Rules, adopted a new share option scheme (the "2007 Share Option Scheme"), as approved by the shareholders of the Company at the extraordinary general meeting held on 20th September 2007. The purpose of the 2007 Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to the employees, directors, consultants and advisers of the Group and to promote the success of the Group. The details of the 2007 Share Option Scheme as pursuant to the Listing Rules are set out in the Company's circular dated 3rd September 2007.

As at the end of the reporting period, no share option has been granted under the 2007 Share Option Scheme since its adoption.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the share option scheme as disclosed above, at no time during the period was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debts securities (including debentures) of, the Company or any other body corporate and none of the directors, their spouses or children under the age of 18, had any rights to subscribe for securities in the Company, or had exercised any such rights.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30th June 2025, the following persons (other than a director or a chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long Position

Name	Nature of interests and capacity in which interest are held			Total	Approximate % of the issued share capital
	Beneficial Interest	Interest in controlled corporation	Interest of Spouse		
Guang Dong Agribusiness Group Corporation ("Guangken") (Note 1)	800,000,000	569,988,785	–	1,369,988,785	62.52
Guangken Sugar Industry International Co., Ltd. (formerly known as COMPLANT International Sugar Industry Co., Ltd.) ("Guangken Sugar") (Note 1)	300,000,000	–	–	300,000,000	13.69
Guangken Rubber (Singapore) Pte. Ltd. ("Guangken Rubber") (Note 1)	269,988,785	–	–	269,988,785	12.32
Hollyview International Limited ("Hollyview") (Note 2)	212,495,083	–	–	215,943,083	9.70%
Hu Yebi (Note 2)	–	212,495,083	3,448,000	215,943,083	9.86%
Li Ling Xiu (Note 2)	3,448,000	–	212,495,083	215,943,083	9.86%



All the interests disclosed above represent long positions in the shares and underlying shares of the Company.

Note 1: Guangken holds 70% of Guangken Sugar and 100% of Guangken Rubber.

Note 2: Hollyview is beneficially and wholly owned by Mr. Hu Yebi, a former director of the Company, and so Mr. Hu Yebi is deemed to be interested in the 212,495,083 Shares held by Hollyview by virtue of the SFO. Mr. Hu Yebi is also deemed to be interested in the Shares held by Ms. Li Ling Xiu, his spouse, by virtue of the SFO. Among these 215,943,083 Shares, 3,448,000 Shares are beneficially owned by Ms. Li Ling Xiu.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 30th June 2025, the Company has complied with the code provisions of the Corporate Governance Code as set out in the Appendix 14 to the Rules Governing the Listing of Securities (the “Code”), except for the following deviation: –

Code Provision C.2.1 and C.2.4

Under the code provision C.2.1, the roles of chairman and chief executive officer (the “CEO”) should be separate people and should not be performed by the same individual. The divisions of responsibilities between the chairman and CEO should be clearly established and set out in writing. Under the code provision C.2.4, the chairman should provide leadership for the board. The chairman should ensure that the board works effectively and performs its responsibilities, and that all key and appropriate issues are discussed by it in a timely manner.

The Company segregates the role of Chairman from the Managing Director who also assumes the responsibilities of chief executive officer. Mr. Liaw Yuan Chian was the Managing Director till his resignation on 16th December 2010. The Company has not refilled these positions yet that calls for an exhaustive scrutiny in the selection. The Board considered the balance of power between the Board members and the balance of authority between the Board and the management have not been impaired after the resignation of the Managing Director, given that about half of the Board members are independent non-executive and a clear division of responsibilities are in place for the running of the business of the Group. The Company remains structured to ensure appropriate segregation of duties so that power is not concentrated in any one individual.

Code Provision C.1.6

Under the code provision C.1.6, independent non-executive Directors and other non-executive directors, as equal board members, should give the board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings and development a balanced understanding of the views of shareholders. Due to other business engagements, the past independent non-executive director of Mr. Tan Chuen Yan Paul did not attend the annual general meeting held on 27th June 2025.

Non-compliance with Rules 3.10(1), 3.10(2), 3.10A, 3.21, 3.25, 3.27A and 13.92 of the Listing Rules

During a certain period in June 2025, the Company tentatively failed to meet the requirements set out in (i) Rule 3.10(1) of the Listing Rules that the Company must have at least three independent non-executive Directors; (ii) Rule 3.10(2) of the Listing Rules that at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise; (iii) Rule 3.10A of the Listing Rules that the Company must appoint independent non-executive Directors representing at least one-third of the Board; (iv) Rule 3.21 of the Listing Rules that the Audit Committee must comprise a minimum of three members, at least one of whom is an independent non-executive Director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules; (v) Rule 3.25 and Rule 3.27A of the Listing Rules that each of the Remuneration Committee and the Nomination Committee must comprise a majority of independent non-executive Directors and (vi) Rule 13.92 of the Listing Rule for diversity of its board members, as a result of the retirement of retirement of independent non-executive Directors of Dr. Ng Lai Man Carmen and Mr. Tan Chuen Yan Paul at the annual general meeting of the Company on 27th June 2025. The Company has re-complied with the above requirements. For details, please refer to the announcements of the Company dated 30th June 2025 and 28th August 2025.



CHANGE IN THE INFORMATION OF DIRECTOR

Pursuant to Rule 13.51B(1) of the Listing Rules, change in the information of Director of the Company since the date of the Annual Report 2024 and up to the date of this report required to be disclosed is shown as follows:

Name of Director	Date of Change	Detail of change
Dr. Ng Lai Man Carmen	27th June 2025	Retired as an independent non-executive Director, and therefore ceased to be a chairwoman and member of audit committee of the Company ("Audit Committee"), ceased to be member of each of the remuneration committee of the Company ("Remuneration Committee") and the nomination Committee of the Company
Mr. Tan Chuen Yan Paul	27th June 2025	Retired from office as an independent non-executive Director, and therefore ceased to be a member of each of Audit Committee, Remuneration Committee and the Nomination Committee of the Company
Ms. Huang Liping	30th June 2025	Appointed as an executive Director and as a member of Nominee Committee of the Company
Mr. Ma Yiu Tim	28th August 2025	Appointed as independent non-executive Director, a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee
Mr. Cheng King Yip	28th August 2025	Appointed as an independent non-executive Director, the chairman and a member of the Audit Committee, a member of each of Nomination Committee and the Remuneration Committee

For the above newly appointed Directors namely Ms. Huang Liping, Mr. Ma Yiu Tim and Mr. Cheng King Yip have obtained legal advice referred to under Rule 3.09D of Listing Rules and understood their obligations as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange. For the existing Directors appointed after the effective date of Rule 3.09D namely Mr. Wu Shurong, Mr. Wang Xiang, Mr. Liu Jun and Mr. Li Baojian, they have also obtained legal advice referred to under Rule 3.09D of Listing Rules and understood their obligations as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REVIEW OF INTERIM FINANCIAL STATEMENTS

The Company's Audit Committee has reviewed the unaudited consolidated interim financial statements for the six months ended 30th June 2025. The audit committee is of the view that the unaudited consolidated interim results for the six months ended 30th June 2025 was prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

The unaudited consolidated interim financial statements for the six months ended 30th June 2025 was also approved by the Board on 29th August 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10 of the Listing Rules (the "Model Code"). Having made specific enquiry of all the directors, all the directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.



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

During the period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Group. These forward-looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

By order of the Board

Hua Lien International (Holding) Company Limited

Wu Shurong

Chairman

Hong Kong, 29th August 2025