



TEAMWAY

International Group Holdings Limited

**TEAMWAY INTERNATIONAL
GROUP HOLDINGS LIMITED**

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 1239

2025
INTERIM REPORT



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Zeng Wenyou
Ms. Ngai Mei (retired on 25 June 2025)
Ms. Duan Mengying (retired on 25 June 2025)

Non-Executive Director

Mr. Lee Hung Yuen

Independent Non-Executive Directors

Dr. Tsang Hing Bun
Mr. Chow Wai Hung Enzo
Mr. Chow Ming Sang (resigned on 31 August 2025)

AUDIT COMMITTEE

(THE “AUDIT COMMITTEE”)

Dr. Tsang Hing Bun (*Chairman*)
Mr. Chow Wai Hung Enzo
Mr. Chow Ming Sang (resigned on 31 August 2025)

NOMINATION COMMITTEE

(THE “NOMINATION COMMITTEE”)

Mr. Chow Wai Hung Enzo (*Chairman*)
Dr. Tsang Hing Bun
Mr. Chow Ming Sang (resigned on 31 August 2025)

REMUNERATION COMMITTEE

(THE “REMUNERATION COMMITTEE”)

Dr. Tsang Hing Bun (*Chairman*)
Mr. Chow Wai Hung Enzo
Mr. Chow Ming Sang (resigned on 31 August 2025)

COMPANY SECRETARY

Mr. Chang Chi Wai Stanley

AUDITORS

Prism Hong Kong Limited
Certified Public Accountant
Registered Public Interest Entity Auditor
Units 1903A–1905, 19/F, 8 Observatory Road
Tsim Sha Tsui, Kowloon, Hong Kong

PRINCIPAL BANKERS

Bank of China Limited
Bank of China (Hong Kong) Limited
China Minsheng Banking Corp., Ltd.
Chongqing Rural Commercial Bank Co., Ltd.
Deyang Rural Commercial Bank Co., Ltd.
DBS Bank Ltd.
Industrial and Commercial Bank of China Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER

OFFICE IN CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited
PO Box 1350, Windward 3, Regatta Office Park
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

REGISTERED OFFICE

Ocorian Trust (Cayman) Limited
PO Box 1350, Windward 3, Regatta Office Park
Grand Cayman KY1-1108
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 1604, 16/F, Tower 6
The Gateway, Harbour City
Tsim Sha Tsui, Kowloon, Hong Kong

STOCK CODE

01239

COMPANY WEBSITE

www.teamwaygroup.com

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
REVENUE	4	56,667	142,483
Cost of sales		(55,909)	(146,380)
Gross profit/(loss)		758	(3,897)
Other income and (losses), net	5	(94)	(1,766)
Selling and distribution expenses		(6,716)	(15,813)
Administrative expenses		(12,787)	(20,660)
Finance costs	6	(3,530)	(3,300)
LOSS BEFORE TAX	7	(22,369)	(45,436)
Income tax credit	8	58	788
LOSS FOR THE PERIOD		(22,311)	(44,648)
ATTRIBUTABLE TO:			
Owners of the Company		(21,085)	(43,695)
Non-controlling interests		(1,226)	(953)
		(22,311)	(44,648)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic and diluted	10	RMB(5.34) cents	RMB(16.47) cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
LOSS FOR THE PERIOD	(22,311)	(44,648)
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	10,564	(10,769)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	10,564	(10,769)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(11,747)	(55,417)
ATTRIBUTABLE TO:		
Owners of the Company	(10,521)	(54,464)
Non-controlling interests	(1,226)	(953)
	(11,747)	(55,417)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment		38,800	35,269
Investment property		62,467	59,457
Right-of-use assets		6,343	6,824
Deferred tax assets		25	26
Deposits and prepayments		622	626
Total non-current assets		108,257	102,202
CURRENT ASSETS			
Inventories		19,202	20,989
Trade and notes receivables	11	73,426	86,196
Deposits, prepayments and other receivables		19,481	22,294
Amount due from a director		1,426	—
Cash and bank balances		16,584	39,922
Total current assets		130,119	169,401
CURRENT LIABILITIES			
Trade payables	12	63,713	67,960
Other payables and accruals		16,744	20,235
Interest-bearing bank and other borrowings		298,339	307,070
Lease liabilities		1,449	1,426
Tax payables		476	518
Total current liabilities		380,721	397,209
NET CURRENT LIABILITIES		(250,602)	(227,808)
TOTAL ASSETS LESS CURRENT LIABILITIES		(142,345)	(125,606)

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		171,447	178,500
Lease liabilities		1,181	1,959
Deferred tax liabilities		78	129
Total non-current liabilities		172,706	180,588
Net liabilities		(315,051)	(306,194)
EQUITY			
Equity attributable to owners of the Company			
Share capital	13	3,518	3,518
Reserves		(326,103)	(315,582)
Non-controlling interests		(322,585)	(312,064)
Total deficit		(315,051)	(306,194)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attribute to owners of the Company								Non-controlling interests	Total deficit
	Share capital	Share premium account	Special reserve	Exchange fluctuation reserve	PRC capital reserve	PRC statutory reserves	Shareholders' contribution	Accumulated losses		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024 (audited)	27,082	241,262	(39,934)	(17,590)	(8)	33,462	10,296	(460,931)	(206,361)	7,939
Loss for the period	—	—	—	—	—	—	—	(43,695)	(43,695)	(953)
Other comprehensive loss for the period:										
Exchange differences on translation of foreign operations	—	—	—	(10,769)	—	—	—	—	(10,769)	—
Total comprehensive loss for the period	—	—	—	(10,769)	—	—	—	(43,695)	(54,467)	(953)
Issue of shares by share placement and rights issue (note 13(b))	1,825	12,778	—	—	—	—	—	—	14,603	—
Capital reduction and share sub-division (note 13(a))	(25,389)	—	—	—	—	—	—	25,389	—	—
Capital contribution by non-controlling interests	—	—	—	—	—	—	—	—	—	40
30 June 2024 (unaudited)	3,518	254,040	(39,934)	(28,359)	(8)	33,462	10,296	(479,237)	(246,222)	7,026
At 1 January 2025 (audited)	3,518	253,019*	(39,934)*	(31,289)*	(8)*	33,462*	10,296*	(541,128)*	(312,064)	5,870
Loss for the period	—	—	—	—	—	—	—	(21,085)	(21,085)	(1,226)
Other comprehensive loss for the period:										
Exchange differences on translation of foreign operations	—	—	—	10,564	—	—	—	—	10,564	—
Total comprehensive loss for the period	—	—	—	10,564	—	—	—	(21,085)	(10,521)	(1,226)
Capital contribution by non-controlling interests	—	—	—	—	—	—	—	—	—	2,890
30 June 2025 (unaudited)	3,518	253,019*	(39,934)*	(20,725)*	(8)*	33,462*	10,296*	(562,213)*	(322,585)	7,534

* These reserve accounts comprise the negative consolidated reserves RMB326,103,000 (31 December 2024: RMB315,582,000) in the unaudited condensed consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net cash flows (used in)/from operating activities	(5,941)	1,373
Net cash flows used in investing activities	(8,351)	(8,128)
Net cash flows (used in)/from financing activities	(6,133)	4,890
Net decrease in cash and cash equivalents	(20,425)	(1,865)
Cash and cash equivalents at beginning of period	39,922	19,290
Effect of foreign exchange rate changes, net	(2,913)	1,600
CASH AND CASH EQUIVALENT AT END OF PERIOD	16,584	19,025
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	16,584	19,025

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

Teamway International Group Holdings Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered office of the Company is located at P.O. Box 1350, Windward 3, Regatta Office Park, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is located at Suite 1604, 16/F, Tower 6, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong.

During the period, the Company and its subsidiaries (collectively referred to as the “**Group**”) was involved in the following principal activities:

- design, manufacturing and sale of packaging products and structural components
- trading of filtration media, equipment and related accessories for air purification
- design, manufacturing, sale and marketing of rosewood home furniture
- property investment

2. BASIS OF PREPARATION

The unaudited 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 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). The unaudited condensed consolidated financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

Notwithstanding that the Group incurred net loss of approximately RMB22,311,000 for the period ended 30 June 2025, and as of that date, the Group’s net liabilities amounted to approximately RMB315,051,000; and the current liabilities of the Group at 30 June 2025 exceed its current assets at that date by approximately RMB250,602,000, and the Group’s current liabilities at that date includes interest-bearing bank and other borrowings with the carrying amounts of RMB298,339,000, in which including RMB229,189,000 (the “**Default Loan**”) has default to a single lender (the “**Lender**”), according to their scheduled repayment date. These condition indicate the existence of a material uncertainty which may cast significant doubt about the Group’s ability to continue as going concern.

2. BASIS OF PREPARATION *(Continued)*

Given the above condition, the directors of the Company have prepared a cash flow projection for a period of twelve months after the end of the reporting period, after taking into account of the following circumstances and measures to be implemented:

- (i) in relation to the Default Loan for which the Group entered into an agreement with Lender on 31 March 2015, pursuant to which the Lender has agreed to provide a loan for a principal amount of HK\$200 million to the Group, the outstanding principal amount as at 31 December 2022 is HK\$155 million (equivalent to RMB141 million). The loan drawn down by the Group was secured by share charge over the entire issued shares of Cheng Hao International Limited, a wholly-owned subsidiary of the Company, carries interest at 18% per annum and repayable on 2 January 2023.

As disclosed in the Company's announcement dated 16 November 2022, the said Default Loan has entered into a dispute and its initial hearing of the petition has been set for 2 June 2023 at the High Court of Hong Kong. In the light of the complexity of the matter and the ongoing Case Management Conference for the Petition, the legal representative of the Company do not expect the matter to be resolved by 30 June 2026;

- (ii) the Company obtained a letter of continuous financial support and undertaken from the substantial shareholders;
- (iii) estimated sales proceed for RMB62 million from the disposal of the Group's investment property in Singapore; and
- (iv) the Group is actively identifying any other possible financing options to improved the liquidity portion of the Group.

Significant uncertainties exist as to whether the Group's plans and measures as describe above will be able to be achieved by the Group and whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows in the near future, obtaining the continuous financial support from its shareholders and successful obtaining of additional new source of financial assets and when needed.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide further liabilities that might arise and to reclassify non-current assets and non-current liabilities to current assets and current liabilities, respectively. The consolidated financial statements do not include any adjustments that would result from the failure of the Group to continue as a going concern.

3. PRINCIPAL ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and financial assets at fair value through profit or loss, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) as described below, the accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standard

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the Group’s unaudited condensed consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to a HKFRS Accounting Standard 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 disclosures set out in these unaudited condensed consolidated financial statements.

4. REVENUE AND OPERATING SEGMENT INFORMATION

For management purpose, the Group is organised into business units based on their products and services and has four reportable segments as follows:

- design, manufacture and sale of packaging products and structural components
- trading of filtration media, equipment and related accessories for air purification
- design, manufacturing, sale and marketing of rosewood home furniture
- property investment

4. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

Six months ended 30 June 2025	Sales of packaging products and structural components RMB'000 (unaudited)	Trading of filtration media, equipment and related accessories for air purification RMB'000 (unaudited)	Sales of rosewood home furniture RMB'000 (unaudited)	Property investment RMB'000 (unaudited)	Total RMB'000 (unaudited)
Segment revenue:					
Revenue from external customers	55,809	103	262	493	56,667
Segment results	(11,032)	(550)	(117)	1,322	(10,377)
<i>Reconciliation:</i>					
Other income and (losses), net					(459)
Finance costs					(1,468)
Corporate and other unallocated expenses					(10,065)
Loss before tax					(22,369)

Six months ended 30 June 2024	Sales of packaging products and structural components RMB'000 (unaudited)	Trading of filtration media, equipment and related accessories for air purification RMB'000 (unaudited)	Sales of rosewood home furniture RMB'000 (unaudited)	Property investment RMB'000 (unaudited)	Total RMB'000 (unaudited)
Segment revenue:					
Revenue from external customers	141,112	815	—	556	142,483
Segment results	(32,072)	(1,070)	(805)	(1,399)	(35,346)
<i>Reconciliation:</i>					
Other income and (losses), net					(1,692)
Finance costs					(3,300)
Corporate and other unallocated expenses					(5,098)
Loss before tax					(45,436)

4. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

30 June 2025	Sales of packaging products and structural components RMB'000 (unaudited)	Trading of filtration media, equipment and related accessories for air purification RMB'000 (unaudited)	Sales of rosewood home furniture RMB'000 (unaudited)	Property investment RMB'000 (unaudited)	Total RMB'000 (unaudited)
Segment assets	136,462	8,216	8,602	65,748	219,028
<i>Reconciliation:</i>					
Deferred tax assets					25
Corporate and other unallocated assets					19,323
Total assets					238,376
Segment liabilities	66,429	3,904	4,473	294	75,100
<i>Reconciliation:</i>					
Interest-bearing bank and other borrowings					443,849
Deferred tax liabilities					78
Corporate and other unallocated liabilities					34,400
Total liabilities					553,427

4. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

31 December 2024	Sales of packaging products and structural components RMB'000 (audited)	Trading of filtration media, equipment and related accessories for air purification RMB'000 (audited)	Sales of rosewood home furniture RMB'000 (audited)	Property investment RMB'000 (audited)	Total RMB'000 (audited)
Segment assets	159,238	8,746	8,810	86,594	263,388
<i>Reconciliation:</i>					
Deferred tax assets					26
Corporate and other unallocated assets					8,189
Total assets					271,603
Segment liabilities	97,434	3,432	1,476	34	102,376
<i>Reconciliation:</i>					
Interest-bearing bank and other borrowings					459,570
Deferred tax liabilities					129
Corporate and other unallocated liabilities					15,722
Total liabilities					577,797

5. OTHER INCOME AND (LOSSES), NET

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest income	76	123
Foreign exchange differences, net	2,645	(1,832)
Impairment of trade and notes receivables	(2,336)	(188)
Others	(479)	131
	(94)	(1,766)

6. FINANCE COSTS

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Interest on bank borrowings	557	1,315
Interest on other borrowings	2,569	1,518
Interest on lease liabilities	92	92
Finance costs arising on discounting trade and notes receivables	312	375
	3,530	3,300

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Cost of inventories sold	37,024	111,805
Employee benefit expenses (including directors' remuneration)	17,440	24,221
Expense relating to short-term lease	152	55
Depreciation of property, plant and equipment	3,343	3,005
Depreciation of right-of-use assets	778	1,025
Gross rental income from investment property	(493)	(556)
Less: Direct operating expenses incurred for investment property that generated rental income during the period	332	333
	(161)	(223)

8. INCOME TAX CREDIT

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax.

The provision for current income tax in Mainland China has been calculated at the applicable tax rate of 25% (for the six months ended 30 June 2024: 25%) on the assessable profits of subsidiaries of the Group based on existing PRC Corporate Income Tax Law.

Singapore Corporate Income Tax has been provided at 17% (for the six months ended 30 June 2024: 17%) on the estimated assessable profits arising in Singapore during the Period.

No Hong Kong Profits Tax has been provided as there is no assessable profit arising in Hong Kong during the Period (for the six months ended 30 June 2024: Nil).

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Current tax — Mainland China		
Charge for the period	—	—
Current tax — Singapore		
Charge for the period	23	28
Over provision in prior years	(30)	—
	(7)	28
Deferred tax	(51)	(816)
	(58)	(788)

9. DIVIDENDS

No dividend was proposed by the Board in respect of the Period (for the six months ended 30 June 2024: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

(a) Basic

The calculation of basic and diluted loss per share are based on:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Loss:		
Loss attributable to owners of the Company	(21,085)	(43,695)

	Six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
Shares:		
Weighted average number of ordinary shares in issue during the period, used in the basic loss per share calculation (Note)	394,562,000	265,290,000

Note: The weighted average number of ordinary shares for the purpose of basic loss per share has been adjusted for the rights issue on 4 June 2024.

(b) Diluted

The Group had no potential dilutive ordinary shares in issue during the period ended 30 June 2025 and 2024.

11. TRADE AND NOTES RECEIVABLES

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Trade receivables	39,229	65,969
Notes receivables	40,174	23,868
	79,403	89,837
Impairment	(5,977)	(3,641)
	73,426	86,196

An ageing analysis of the trade receivables as at the end of the reporting period, based on the delivery date and net of provision, is as follows:

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Within 3 months	32,159	57,793
4 to 6 months	938	3,575
7 months to 1 year	1,099	1,521
	34,196	62,889

12. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Within 3 months	37,834	55,393
4 to 6 months	24,240	11,127
Over 6 months	1,639	1,440
	63,713	67,960

The trade payables are non-interest bearing and are normally settled on 30 days to 90 days.

13. SHARE CAPITAL

A summary of the movements in the Company's authorised and issued share capital during the period are as follows:

	Number of shares '000	Share capital HK\$'000
Authorised ordinary shares at HK\$0.01 per share:		
At 1 January 2024 (audited)	1,250,000	200,000
Share sub-division (<i>Note a(iii)</i>)	18,750,000	—
At 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	20,000,000	200,000

13. SHARE CAPITAL (Continued)

	Number of shares '000	Share capital HK\$'000
Issued and fully paid shares at HK\$0.01 per share:		
At 1 January 2024 (audited)	197,283	31,565
Capital reduction (Note a(ii))	—	(29,592)
Issued of shares by share placement and rights issue (Note b)	197,279	1,973
At 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	394,562	3,946

Notes:

- a. Pursuant to a special resolution of the Company passed on 27 November 2023, a capital reorganisation was approved. It comprised the following changes to the capital structure:
- (i) the par value of each issued consolidated share was reduced from HK\$0.16 to HK\$0.01 by cancelling the paid-up capital of the Company to the extent of HK\$0.15 on each issued consolidated share with effective on 14 March 2024. Immediately following the capital reduction, all the credits arising from the capital reduction was transferred to accumulated losses of the Company; and
 - (ii) Immediately following the capital reduction, each of the authorised but unissued consolidated shares of par value of HK\$0.16 each has been sub-divided into 16 new shares of par value of HK\$0.01 each with effective on 14 March 2024.
- b. On 4 June 2024, the Company completed a rights issue of 133,699,000 rights shares and a placing of 63,580,000 new shares at a subscription price of HK\$0.08 each per share with net proceeds of HK\$14,667,000 (equivalent to RMB13,582,000) of which HK\$1,973,000 (equivalent to RMB1,825,000) was credited to share capital and HK\$12,694,000 (equivalent to RMB11,757,000) was credited to share premium account. The subscription price represented a discount of approximately 32.77% to the closing price of HK\$0.119 per share as quoted on Stock Exchange on 10 January 2024. The net price per rights share and placing share was approximately HK\$0.074. Details of the rights issue and share placement were disclosed in the Company's announcement dated 10 January 2024, 11 January 2024, 9 February 2024, 29 February 2024, 8 March 2024, 14 March 2024, 15 April 2024 and 4 June 2024.

14. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these unaudited condensed consolidated financial statements, the Group entered into the following material transactions with related parties during the period:

- (a) The Group had an outstanding loan balance of RMB137,787,000 (31 December 2024: RMB145,697,000) due to Yitou (China) Limited ("Yitou"), a company of which Mr. Xu Gefei is a controlling shareholder. The interest expense of RMB1,409,000 (31 December 2024: RMB2,966,000) were charged at the rate of 2% per annum (31 December 2024: 2%) on a loan with a principal amount of US\$19,346,000 (equivalent to RMB137,787,000) (31 December 2024: RMB145,697,000) granted by Yitou and the interest payable as at 30 June 2025 was RMB19,660,000 (31 December 2024: RMB18,803,000).
- (b) Outstanding balance with related party:

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Amount due from a director	1,426	—

The amount due from a director, Mr. Zeng Wenyou is unsecured, carries interest 12% per annum and repayable on demand.

15. EVENTS AFTER THE REPORTING PERIOD

In addition to information disclosed elsewhere in the consolidated financial statements, subsequent to 30 June 2025, the Group has the following subsequent events:

- (a)(i) On 6 May 2025, Sichuan Hejing Packing Materials Co., Ltd.* 四川和景包裝製品有限公司 (“**Hejing Packing**”), an indirect wholly-owned subsidiary of the Company, received a civil statement of claim (the “**DRCB Claim**”) filed by Deyang Rural Commercial Bank Co., Ltd. Luojiang Branch* 德陽農村商業銀行股份有限公司羅江支行 (the “**Plaintiff DRCB**”) with the People’s Court of Luojiang District, Deyang City, Sichuan Province* 四川省德陽市羅江區人民法院 (the “**Court**”), since Hejing Packing was unable to repay the overdue borrowings with principal amount of RMB5,977,785.32 together with interests and legal costs to the Plaintiff DRCB. On 24 June 2025, Hejing Packing received an enforcement order (the “**Enforcement Order DRCB**”) issued by the Court to put up the four premises owned by Hejing Packing, located at Factory Building No. 1, West Section of Xingfu Road, Industrial Park, Jinshan Town, Luojiang District, Deyang City, Sichuan Province, China* (中國四川省德陽市羅江區金山鎮工業園區幸福路西段1號廠房) (the “**Pledged Property DRCB**”) for auction in order to satisfy the payment obligation. On 12 August 2025, the Court issued an enforcement order (the “**Second Enforcement Order DRCB**”) and confirmed that the Pledged Property DRCB had been sold by auction pursuant to the court order at the highest bid price of RMB11,700,000. Details of which were disclosed in the Company’s announcements dated 29 May 2025, 8 July 2025 and 21 August 2025.

As at 30 June 2025, the four premises are classified as right-of-use assets and property, plant and equipment and stated at net book value of RMB1,711,000 and RMB6,030,000 respectively.

- (a)(ii) On 13 June 2025, Hejing Packing received a civil statement of claim (the “**ICBC Claim**”) filed by Industrial and Commercial Bank of China Limited Luojiang Branch* 中國工商銀行股份有限公司羅江支行 (the “**Plaintiff ICBC**”) with the Court, since Hejing Packing was unable to repay the overdue borrowings with principal amount of RMB5,958,811.20 together with interests and legal costs to the Plaintiff ICBC. On 28 July 2025, Hejing Packing received an enforcement order (the “**Enforcement Order ICBC**”) issued by the Court to put up the land and buildings owned by Hejing Packing, located at West Section of Xingfu Road, Industrial Park, Jinshan Town, Luojiang District, Deyang City, Sichuan Province, China* (中國四川省德陽市羅江區金山鎮工業園區幸福路西段) (the “**Pledged Property ICBC**”) for auction in order to satisfy the payment obligation. Details of which were disclosed in the Company’s announcements dated 3 July 2025 and 7 August 2025.

As at 30 June 2025, the land and buildings are classified as right-of-use assets and property, plant and equipment and stated at net book value of RMB1,700,000 and RMB2,925,000 respectively.

Since the auctions of Pledged Property DRCB and Pledged Property ICBC were not completed as at 30 June 2025, both DRCB Claim and ICBC Claim were considered as non-adjusting events after the reporting period.

* For identification purpose only

- (b) The Company as the first respondent was served with a petition (the “**Petition**”) issued by the Securities and Futures Commission (the “**SFC**”) as petitioner on 8 November 2022. An initial hearing of the Petition has been set in June 2023 at the High Court of Hong Kong. Details of the Petition are set out in the announcement of the Company dated 16 November 2022. In the light of the complexity of the matter and the ongoing Case Management Conference for the Petition, the legal representative of the Company do not expect the matter to be resolved by 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Company is an investment holding company, and through its subsidiaries, is principally engaged in the business of (i) design, manufacturing and sale of packaging products and structural components in The People's Republic of China (the “**PRC**”); (ii) trading of filtration media, equipment and related accessories for air purification; (iii) design, manufacturing, sale and marketing of rosewood home furniture and (iv) property investment.

Packaging Products and Structural Components Business

Revenue

Most of the Group's customers under the packaging products and structural components business are leading consumer electrical appliance manufacturers in the PRC.

An analysis of revenue by products is as follows:

	Six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
<i>Packaging products</i>				
Air conditioners	29,628	53.1	31,350	22.2
Televisions	22,901	41.0	39,224	27.8
Washing machines	894	1.6	36,038	25.5
Refrigerators	527	0.9	26,931	19.1
Water heater	131	0.2	2,522	1.8
Information Technology products	—	—	2,338	1.7
Others	262	0.5	429	0.3
<i>Structural components</i>				
For air conditioners	1,466	2.7	2,280	1.6
Total	55,809	100	141,112	100.0

For the six months ended 30 June 2025, the revenue amounted to approximately RMB55,809,000, decreased by approximately RMB85,303,000 or 60.5% when compared to that of approximately RMB141,112,000 for the six months ended 30 June 2024.

The revenue by product type remained relatively stable. For the six months ended 30 June 2025, the revenue derived from the Group's products for air conditioners (including packaging products and structural components), televisions, washing machines and refrigerators being for the four largest contributions to the segment revenue, amounting approximately RMB55,416,000 or 99.3% of segment revenue (for the six months ended 30 June 2024: approximately RMB135,823,000 or 96.3% of segment revenue).

Management Discussion and Analysis

Cost of sales

The following table sets out a breakdown of the cost of sales for the periods stated below:

	Six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Raw materials	37,024	66.6	111,805	76.8
Direct labour costs	5,122	9.2	7,963	5.5
Manufacturing overhead	13,424	24.2	25,845	17.7
Staff costs	1,203	2.2	1,859	1.3
Depreciation	3,018	5.4	2,577	1.7
Utilities	6,149	11.1	10,065	6.9
Processing charges	2,812	5.1	10,633	7.3
Others	242	0.4	711	0.5
Total	55,570	100	145,613	100

For the six months ended 30 June 2025, the cost of sales amounted to approximately RMB55,570,000, decreased by approximately RMB90,043,000 or 61.8% when compared to that of approximately RMB145,613,000 for the six months ended 30 June 2024.

The decline in revenue was primarily due to intense competition and as a result, we did not get some business bids as expected during the Period. There was slight increase in gross profit margin in the Period and this was mainly attributable to the cost control measures of reduction in labour costs and transportation costs.

Supply of raw materials

The Group purchases raw materials and components necessary for the manufacturing of its packaging products and structural components from independent third parties. The raw materials mainly include expanded polystyrene ("EPS") and expanded polyolefin ("EPO"). The Group retains a list of approved suppliers of raw materials and components and only makes its purchases from the list. The Group has established long-term commercial relationships with its major suppliers for stable supply and timely delivery of high quality raw materials and components. The Group has not experienced any major difficulties in procuring raw materials and components necessary for the manufacture of packaging products for the six months ended 30 June 2025. The Group continues to diversify its suppliers of raw materials and components to avoid over reliance on a single supplier for any type of raw materials and components.

Production capacity

The current production capacity enables the Group to promptly respond to market demand and strengthen its market position.

Property Investment Business

The Group's investment property, situated in Singapore at 1 Bishopsgate #04–06 Bishopsgate Residences, Singapore 247676 (registered in the Singapore Land Authority under the Land Lot No. TS24-U13661M) with a gross floor area of approximately 3,068 square feet, recorded a rental income of RMB493,000 for the six months ended 30 June 2025.

To improve the liquidity of the Company, the Company has listed the investment property for sale as at 30 June 2025. Since the market price of the investment property constitute significant portions of the Company's assets, the proposed sale is likely to constitute discloseable/notifiable transactions which will be subject to notifications, publications and/or shareholders' approval requirements from the listing rules before the sales can be completed.

Update on the Petition

As disclosed in the Company's announcement dated 16 November 2022, the Securities and Futures Commission ("**SFC**") filed a petition (the "**Petition**") against the Company (as the 1st respondent) and 13 other respondents, alleging a series of complaints concerning various transactions (including the said Default Loan). A second case management conference was held on 24 April 2025, and a third case management conference with 3 hours reserved will be held after 27 October 2025. In the circumstances, the Petition will not be resolved by 30 June 2026.

FUTURE OUTLOOK

Packaging Products and Structural Components Business

China's economic trajectory in 2024 has been characterized by a resilient yet cautious recovery, overcoming initial concerns about a prolonged downturn in the real estate sector and subdued domestic demand. The momentum has carried forward with an expectation of China's full-year GDP growth of 4.6% in 2025, reflecting lingering concerns over weak domestic consumption, high local government debt, and global economic uncertainties.

During the Period, the Group lost some business bids, resulting in a decrease in revenue. The Group remains focused on identifying new customers and capturing suitable business opportunities in a vigilant manner, while continuing to improve efficiency and strengthen cost management.

Looking ahead, the Group will continue to adopt a prudent approach in navigating the persistent challenges. Although the PRC market has exhibited initial signs of recovery, with gradual improvements in consumer sentiment and demand anticipated, the operating environment is expected to remain highly competitive in the near term. As cost pressure across the industry persists, the Group maintains a cautiously optimistic outlook and will closely monitor market developments to guide its strategic decisions.

Property Investment Business

Singapore's property market is shaped not only by local demand and government policies but also by global economic trends and currency strength. Over the last five years, Singapore Dollar has outperformed major global currencies, showcasing Singapore's strong financial fundamentals and economic resilience. This reinforces investor confidence in Singapore's real estate as a stable and long-term investment.

Singapore's property market has demonstrated resilience in recent years, adapting to global uncertainties, rising interest rates, and government cooling measures. As we head into the third quarter of 2025, the expectation remains cautiously optimistic, with key indicators suggesting a stable and growing market.

Conclusion

Looking forward, the management consider the global environment remains uncertain and challenging. Amid these turbulent times, the Group has continued to improve efficiency, streamline operations and to minimize operating costs. The Group remains dedicated in getting through the bad times with all of its employees by adopting defensive strategies, striving to strike a balance between maintaining a healthy financial position and preparing for future development.

The Company, while adopting the policies in ensuring disciplined execution of prudent financial, liquidity and cash flow management, will continue to develop and maximize the potential of our new businesses and seek new business opportunities in a vigilant manner with a view to achieve earning growth and enhance the long-term value of all of its stakeholders.

FINANCIAL REVIEW

Financial results

For the six months ended 30 June 2025, the Group recorded the revenue of approximately RMB56,667,000 representing a decrease of approximately RMB85,816,000 or 60.2% as compared to that of approximately RMB142,483,000 for the six months ended 30 June 2024.

Loss attributable to owners of the Company was approximately RMB21,085,000 for the six months ended 30 June 2025, decreased by approximately RMB22,610,000 when compared to loss of approximately RMB43,695,000 for the six months ended 30 June 2024.

Basic and diluted loss per share attributable to owners of the Company were RMB5.34 cents respectively for the six months ended 30 June 2025 (for the six months ended 30 June 2024: RMB16.47 cents respectively).

Liquidity and financial resources

The Group generally finances its operations with internally generated cash flows, bank borrowings, loans from shareholders and from independent third parties.

As at 30 June 2025, the Group has bank balances and cash of approximately RMB16,584,000, which were principally denominated in Hong Kong Dollars (“**HK\$**”) (71.4%), Singapore Dollars (“**SGD**”) (18.0%), Renminbi (“**RMB**”) (10.0%) and United States Dollars (“**US\$**”) (0.6%) (31 December 2024: approximately RMB39,922,000).

As at 30 June 2025, the Group had total borrowings of approximately RMB469,786,000 (31 December 2024: approximately RMB485,570,000), with approximately RMB298,339,000 repayable on demand or within one year, approximately RMB171,447,000 repayable after two years and within five years. Approximately 48.8%, 38.5%, 7.2% and 5.5% of these borrowings were denominated in HKD, USD, SGD and RMB, respectively. Details of pledge of assets in respect of bank and other borrowings are set out in the section Pledge of assets.

The management closely review the financial resources of the Group in a cautious manner and continue to explore opportunities in external financing and equity funding. The Company will take proactive actions to improve the liquidity and financial position of the Group by way of equity fund raising exercises. The Company will closely monitor the market situation and take prompt actions when such opportunities arise.

CAPITAL STRUCTURE AND CAPITAL MANAGEMENT

As at 30 June 2025, the Company's issued share capital was approximately RMB3.52 million, equivalent to HK\$3.95 million and divided into 394,561,751 ordinary shares of HK\$0.01 each.

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the reporting period as compare with the year ended 31 December 2024.

Capital expenditure

Capital expenditure of the Group mainly includes the purchase of properties, plants and equipment and right-of-use assets. During the Period, capital expenditure of the Group amounted to approximately RMB7,091,000 (31 December 2024: approximately RMB21,087,000).

Capital commitment

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

Contingent liabilities

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

Pledge of Assets

The Group had pledged (i) assets of buildings and right-of-use assets to the bank in the amount of approximately RMB17,863,000 as at 30 June 2025 (31 December 2024: approximately RMB18,923,000; (ii) the entire issued share capital of a wholly-owned subsidiary of the Company to the lender as at 30 June 2025 and 31 December 2024; and (iii) the investment property situated in Singapore to the financial institution as at 30 June 2025 and 31 December 2024.

Gearing ratio

As at 30 June 2025, the gearing ratio was 1.97 (31 December 2024: 1.79), which was measured on the basis of the Group's total borrowings divided by total assets.

Foreign exchange risk

Business transactions of the Group are mainly denominated in HK\$ and RMB. Accordingly, the Directors consider that the Group is not exposed to significant foreign currency risk.

The Group currently does not have a foreign currency hedging policy. However, the Group's management monitors foreign exchange exposure. In the view of the fluctuation of RMB in recent years, the Group will consider hedging significant foreign currency exposure should the need arise.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2025, the interests and short positions of each Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO, which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange, were as follows:

Long Positions in the Ordinary Shares of the Company:

Name of Director	Capacity/ Nature of Interest	Number of Shares held	Approximate percentage of the Company's total issued share capital
Mr. Lee Hung Yuen	Beneficial owner	40,546,966	10.28%
Mr. Zeng Wenyou	Beneficial owner	39,130,424	9.92%

Save as disclosed above, as at 30 June 2025, none of the Directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and none of the Directors, the chief executive of the Company nor their associates (as defined in the Listing Rules) had any other interests or short positions in the shares of the Company, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or the chief executive of the Company is taken or deemed to have under such provisions of the SFO); or (ii) were required to be entered into the register maintained by the Company, pursuant to Section 352 of Part XV of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange, pursuant to the Model code for Securities Transaction by Directors of Listed Issuers contained in the Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders of the Company required to be kept under section 336 of Part XV of the SFO shows that as at 30 June 2025, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital:

Long Positions in Shares and Underlying Shares

Name of shareholders	Capacity/ Nature of Interest	Number of Shares held	Approximate percentage of the Company's total issued share capital
Ms. Cao Junying	Beneficial owner	37,815,000	9.58%
Mr. Gu Shaoxun	Beneficial owner	33,400,000	8.47%
Mr. Wang Yang	Beneficial owner	31,070,000	7.87%
Grand Luxe Limited (<i>Note 1</i>)	Beneficial owner	29,330,000	7.43%

Note:

1. Mr. Xu Gefei beneficially held the entire issued share capital of Grand Luxe Limited which in turn, beneficially held 29,330,000 Shares.

Save as disclosed above, as at 30 June 2025, no person had registered an interest or short position in the securities or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The share option scheme (the "**Scheme**") adopted by the Company on 11 June 2011 for a period of ten years was expired, and no option has been granted, outstanding, cancelled, lapsed or exercised by the Company under the Scheme. The Company currently has no other share option schemes.

USE OF PROCEEDS FROM THE PLACING AND PUBLIC OFFER

The Company was successfully listed on the Main Board of the Stock Exchange on 18 November 2011 by way of placing and public offer (the "**Placing and Public Offer**").

The proceeds received by the Company from the Placing and Public Offer, after deducting the relevant costs of the Placing and Public Offer, amounted to approximately HK\$44,500,000 in total. As at 30 June 2025, the Group had used up all the net proceeds, of which (i) approximately HK\$2,700,000 had been used for the repayment of bank loan; (ii) approximately HK\$2,900,000 had been used as general working capital; (iii) approximately HK\$29,000,000 was used for acquiring, remodifying and upgrading of plant and machines; and (iv) approximately HK\$9,900,000 was used for acquiring and remodifying of mould.

USE OF PROCEEDS FROM THE RIGHTS ISSUE

On 4 June 2024, the Company completed the rights issue by issuing 197,279,115 right shares (the “**Rights Issue**”), with net proceeds, after deducting all relevant expenses, amounting to approximately HK\$14.67 million. As at 30 June 2025, the Company has used up all of the proceeds for repayment of the Group’s outstanding borrowings and general working capital.

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

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company’s listed securities during the six months ended 30 June 2025.

ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENT

Save as disclosed in this report, for the six months ended 30 June 2025, there was no material acquisition, disposal or investment by the Group.

DIVIDENDS

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

SEGMENT INFORMATION

Details of segment information of the Group for the six months ended 30 June 2025 are set out in Note 4 to the unaudited condensed consolidated financial statements.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the terms as contained in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as the Company’s code of conduct regarding securities transactions and dealings by the Directors. Upon specific enquiries of all existing Directors, each of them confirmed that they have complied with the Model Code throughout the Period.

CORPORATE GOVERNANCE

During the six months ended 30 June 2025, the Company has adopted the code provisions (the “**Code Provision(s)**”) set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules.

The Board periodically reviews the corporate governance practices of the Company to ensure its continuous compliance with the CG Code. The Company was in full compliance with the applicable Code Provisions for the six months ended 30 June 2025.

By order of the Board
Teamway International Group Holdings Limited
Mr. Zeng Wenyou
Executive Director

Hong Kong, 29 August 2025

In case of any inconsistency, the English text of this report shall prevail over the Chinese text.