



**諾科達科技**  
**NOVAUTЕК**

**NOVAUTЕК TECHNOLOGIES GROUP LIMITED**

**諾科達科技集團有限公司**

(Incorporated in Bermuda with limited liability)

Stock Code: 519



**Interim Report 2026**



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS<sup>1</sup>

#### Executive Directors

Mr. Wu Zhanming (*Chairman and Acting Chief Executive Officer*)  
Mr. Wu Tao

#### Independent Non-executive Directors

Mr. Jiang Pengzhi  
Mr. Yang Ye  
Ms. Tsang Fung Chu *JP*

### AUDIT COMMITTEE

Ms. Tsang Fung Chu *JP* (*Chairman*)  
Mr. Jiang Pengzhi  
Mr. Yang Ye

### REMUNERATION COMMITTEE

Mr. Yang Ye (*Chairman*)  
Ms. Tsang Fung Chu *JP*  
Mr. Wu Zhanming

### NOMINATION COMMITTEE

Mr. Wu Zhanming (*Chairman*)  
Mr. Jiang Pengzhi  
Ms. Tsang Fung Chu *JP*

### COMPANY SECRETARY

Ms. Luk Shan

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2408A, 24th Floor  
Tower 1, Lippo Centre  
89 Queensway  
Hong Kong

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### BRANCH SHARE REGISTRAR IN HONG KONG

Computershare Hong Kong  
Investor Services Limited  
17M Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### SHARE REGISTRAR IN BERMUDA

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

### PRINCIPAL BANKS

China Construction Bank (Asia)  
Corporation Limited  
Hang Seng Bank Limited  
Nanyang Commercial Bank, Limited

### AUDITOR

Forvis Mazars CPA Limited  
*Certified Public Accountants*

### SOLICITORS

ONC Lawyers  
Han Kun Law Offices LLP

### STOCK CODE

HKEX: 519

### WEBSITE

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

<sup>1</sup> Dr. Chan Kin Keung Eugene *SBS, BBS, JP* retired as a non-executive Director on 17 December 2025.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME***For the six months ended 31 December 2025*

	Note	Six months ended	
		2025	2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
<b>Revenue</b>	2	<b>21,869</b>	14,460
Cost of sales		<b>(13,625)</b>	(6,828)
Gross profit		<b>8,244</b>	7,632
Other revenue	2	<b>10</b>	53
Other income		<b>942</b>	811
Net gain on disposal of financial assets at fair value through profit or loss ("FVPL")		<b>753</b>	12,278
Net decrease in fair value of financial assets at FVPL		<b>(12,726)</b>	(24,357)
Net increase (decrease) in fair value of investment properties		<b>11,690</b>	(43,982)
Selling expenses		<b>(5,069)</b>	(2,761)
Administrative expenses		<b>(11,329)</b>	(12,498)
Research and development expenses		<b>(1,688)</b>	(837)
Other expenses		<b>(15,840)</b>	(6,528)
Finance costs	4	<b>(3,555)</b>	(4,383)
<b>Loss before taxation</b>	5	<b>(28,568)</b>	(74,572)
Taxation	6	<b>(3,684)</b>	693
<b>Loss for the period</b>		<b>(32,252)</b>	(73,879)
<b>Other comprehensive income (loss)</b>			
<i>Item that may be reclassified subsequently to profit or loss</i>			
– Exchange differences arising on translation of foreign operations		<b>7,169</b>	(3,056)
<i>Item that will not be reclassified to profit or loss</i>			
– Change in fair value of financial assets at fair value through other comprehensive income ("Designated FVOCI")		<b>28</b>	–
<b>Total other comprehensive income (loss) for the period</b>		<b>7,197</b>	(3,056)
<b>Total comprehensive loss for the period</b>		<b>(25,055)</b>	(76,935)



	<b>Six months ended 31 December</b>	
<i>Note</i>	<b>2025 HK\$'000 (Unaudited)</b>	2024 HK\$'000 (Unaudited)
<b>Loss attributable to:</b>		
Owners of the Company	<b>(31,364)</b>	(71,226)
Non-controlling interests	<b>(888)</b>	(2,653)
	<b>(32,252)</b>	(73,879)
<b>Total comprehensive loss attributable to:</b>		
Owners of the Company	<b>(24,167)</b>	(74,282)
Non-controlling interests	<b>(888)</b>	(2,653)
	<b>(25,055)</b>	(76,935)
<b>Loss per share</b>		
Basic	7	
	<b>(1.03) HK cents</b>	(2.33) HK cents
Diluted		
	<b>(1.03) HK cents</b>	(2.33) HK cents



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At 31 December 2025

		<b>31 December 2025</b>	30 June 2025
	<i>Note</i>	<b>HK\$'000</b> <b>(Unaudited)</b>	<i>HK\$'000</i> <i>(Audited)</i>
<b>Non-current assets</b>			
Investment properties	8	<b>852,889</b>	855,815
Property, plant and equipment	9	<b>50,851</b>	57,315
Designated FVOCI		<b>124</b>	96
		<b>903,864</b>	913,226
<b>Current assets</b>			
Inventories		<b>5,308</b>	2,854
Properties held for sales	10	<b>99,828</b>	105,125
Financial assets at FVPL	11	<b>24,509</b>	40,409
Other receivables	12	<b>28,914</b>	31,536
Restricted bank deposits		<b>23,152</b>	22,888
Cash and cash equivalents		<b>46,905</b>	70,198
		<b>228,616</b>	273,010
Non-current assets classified as held for sales		<b>95,668</b>	82,800
		<b>324,284</b>	355,810
<b>Current liabilities</b>			
Accounts and other payables	13	<b>147,807</b>	161,378
Interest-bearing borrowings		<b>171,102</b>	178,186
Tax payables		<b>2,392</b>	2,365
		<b>321,301</b>	341,929
<b>Net current assets</b>		<b>2,983</b>	13,881
<b>Total assets less current liabilities</b>		<b>906,847</b>	927,107



		<b>31 December 2025</b>	30 June 2025
	<i>Note</i>	<b>HK\$'000</b>	<i>HK\$'000</i>
		<b>(Unaudited)</b>	(Audited)
<b>Non-current liabilities</b>			
Deferred tax liabilities		<b>144,526</b>	139,731
<b>Net assets</b>		<b>762,321</b>	787,376
<b>Capital and reserves</b>			
Share capital	14	<b>30,551</b>	30,551
Reserves		<b>736,018</b>	760,185
Equity attributable to owners of the Company		<b>766,569</b>	790,736
Non-controlling interests		<b>(4,248)</b>	(3,360)
<b>Total equity</b>		<b>762,321</b>	787,376



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the six months ended 31 December 2025

	Reserves						Total reserves HK\$'000	Non-controlling interests HK\$'000	Total reserves HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Investment revaluation reserve (non-recycling) HK\$'000	Capital redemption reserve HK\$'000	Capital reserve HK\$'000	Translation reserve HK\$'000			
At 1 July 2025 (audited)	30,551	437,801	(476)	11,931	204,610	(30,946)	137,265	(3,360)	787,376
Loss for the period	-	-	-	-	-	-	(31,364)	(888)	(32,252)
<b>Other comprehensive income</b> <i>Item that may be reclassified subsequently to profit or loss</i> Exchange differences arising on translation of foreign operations	-	-	-	-	-	7,169	-	-	7,169
<i>Item that will not be reclassified to profit or loss</i> Change in fair value of Designated FVOCI	-	-	28	-	-	-	-	-	28
<b>Total other comprehensive income for the period</b>	-	-	28	-	-	7,169	-	-	7,197
<b>Total comprehensive loss for the period</b>	-	-	28	-	-	7,169	(31,364)	(888)	(25,055)
At 31 December 2025 (unaudited)	30,551	437,801	(448)	11,931	204,610	(23,777)	105,901	(4,248)	762,321

		Reserves									
		Investment revaluation reserve	Share premium	Share capital	Capital redemption reserve	Capital reserve	Translation reserve	Accumulated profits	Total reserves	Non- controlling interests	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1 July 2024 (audited)</b>		476	437,801	30,551	11,931	204,610	(38,665)	125,924	741,125	856	772,532
	Loss for the period	-	-	-	-	-	-	(71,226)	(71,226)	(2,653)	(73,879)
	<b>Other comprehensive loss</b> <i>Item that may be reclassified subsequently to profit or loss</i>										
	Exchange differences arising on translation of foreign operations	-	-	-	-	-	(3,056)	-	(3,056)	-	(3,056)
	<b>Total other comprehensive loss for the period</b>	-	-	-	-	-	(3,056)	-	(3,056)	-	(3,056)
	<b>Total comprehensive loss for the period</b>	-	-	-	-	-	(3,056)	(71,226)	(74,282)	(2,653)	(76,935)
	<b>At 31 December 2024 (unaudited)</b>	(476)	437,801	30,551	11,931	204,610	(41,721)	54,698	686,843	(1,797)	685,597

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS***For the six months ended 31 December 2025*

	<b>Six months ended</b>	
	<b>31 December</b>	
	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
<b>Net cash used in operating activities</b>	<b>(15,613)</b>	(12,453)
<b>INVESTING ACTIVITIES</b>		
Interest received	<b>10</b>	53
Purchase of property, plant and equipment	<b>(658)</b>	(365)
Net proceeds from disposal of financial assets at FVPL	<b>3,927</b>	26,248
<b>Net cash from investing activities</b>	<b>3,279</b>	25,936
<b>FINANCING ACTIVITIES</b>		
Interest paid	<b>(3,555)</b>	(4,383)
Repayment of bank and other borrowings	<b>(6,932)</b>	(20,219)
<b>Net cash used in financing activities</b>	<b>(10,487)</b>	(24,602)
<b>Net decrease in cash and cash equivalents</b>	<b>(22,821)</b>	(11,119)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>70,198</b>	47,671
Effect on exchange rate changes	<b>(472)</b>	(301)
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>46,905</b>	36,251
<b>Analysis of balances of cash and cash equivalents:</b>		
Cash at banks and on hand	<b>45,501</b>	32,467
Cash held by securities brokers	<b>1,404</b>	3,784
	<b>46,905</b>	36,251

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

### 1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated interim financial statements of Novautek Technologies Group Limited (the “**Company**”) and its subsidiaries (the “**Group**”) for the six months ended 31 December 2025 (the “**Interim Financial Statements**”) are unaudited, but have been reviewed by the audit committee of the Company. These unaudited Interim Financial Statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Accounting Standard (“**HKAS**”) No. 34 “*Interim Financial Reporting*” issued by the Hong Kong Institute of Certified Public Accountants.

The Interim Financial Statements have been prepared on the historical cost basis, except for investment properties and certain financial instruments which are measured at fair values.

The Interim Financial Statements should be read in conjunction with the Company’s consolidated financial statements for the year ended 30 June 2025 (“**2025 Annual Financial Statements**”). The accounting policies adopted in the Interim Financial Statements are consistent with those applied in the preparation of 2025 Annual Financial Statements, except for the adoption of the new/revised HKFRS Accounting Standards, which are relevant to the Group’s operation and are effective for the Group’s financial year beginning on 1 July 2025 as described below.

Amendments to HKAS 21      Lack of Exchangeability

The adoption of the amendments to HKFRS Accounting Standards has no material impact on the Group’s results and financial position for the current or prior periods and does not result in any significant change in accounting policies of the Group.

**2. REVENUE**

	<b>Six months ended 31 December</b>	
	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
<b>Revenue</b>		
<i>Revenue from contracts with customers within HKFRS 15:</i>		
Sale of properties in the People's Republic of China (the "PRC"), at a point in time and at fixed price	<b>12,164</b>	6,693
Sale of AI robots and products, at a point in time and at fixed price	<b>2,279</b>	-
Management fee income from investment properties, over time and at fixed price	<b>372</b>	141
	<b>14,815</b>	7,834
<i>Revenue from other sources:</i>		
Gross rental income from investment properties	<b>6,348</b>	5,509
Gross rental income from AI robots and products	<b>678</b>	363
Dividend income from financial assets at FVPL	<b>28</b>	754
	<b>7,054</b>	6,626
	<b>21,869</b>	14,460
<b>Other revenue</b>		
Bank interest income	<b>10</b>	53
<b>Total revenue</b>	<b>21,879</b>	14,513



### 3. SEGMENT INFORMATION

Management identifies operating segments based on internal reports that are regularly reviewed by the chief operating decision makers, who are the executive directors of the Company, for the purposes of allocating resources to segments and assessing their performance. The executive directors of the Company consider AI robots, property development, property investment, investment holding are the Group's major operating segments.

The AI robots segment includes sale, lease out and implementation of AI robotics total solutions and products which provide cleaning, patrol, distribution and transportation services, etc. The property development segment includes properties held for sales during the period. The property investment segment includes mainly commercial properties that are held for capital appreciation or earning rental income. The investment holding segment includes holding of investment funds, equity securities, debt instruments and other assets. No operating segments have been aggregated.

Segment revenue and results for the six months ended 31 December 2025 are presented below:

	AI robots HK\$'000 (Unaudited)	Property development HK\$'000 (Unaudited)	Property investment HK\$'000 (Unaudited)	Investment holding HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
<b>Revenue</b>	2,957	12,164	6,720	28	21,869
Other revenue and income	1	235	566	1	803
	<b>2,958</b>	<b>12,399</b>	<b>7,286</b>	<b>29</b>	<b>22,672</b>
<b>Results</b>					
Segment results	(7,284)	2,133	692	(12,197)	(16,656)
Unallocated corporate income					149
Unallocated corporate expenses					(8,506)
Finance costs					(3,555)
<b>Loss before taxation</b>					<b>(28,568)</b>
Taxation					(3,684)
<b>Loss for the period</b>					<b>(32,252)</b>

### 3. SEGMENT INFORMATION (continued)

Segment assets and liabilities as at 31 December 2025 are presented below:

	AI robots HK\$'000 (Unaudited)	Property development HK\$'000 (Unaudited)	Property investment HK\$'000 (Unaudited)	Investment holding HK\$'000 (Unaudited)	Segment total HK\$'000 (Unaudited)	Unallocated HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
<b>Assets</b>	27,331	144,407	907,036	62,721	1,141,495	86,653	1,228,148
<b>Liabilities</b>	(2,046)	(87,464)	(324,626)	(29)	(414,165)	(51,662)	(465,827)

Other segment information for the six months ended 31 December 2025 are presented below:

	AI robots HK\$'000 (Unaudited)	Property development HK\$'000 (Unaudited)	Property investment HK\$'000 (Unaudited)	Investment holding HK\$'000 (Unaudited)	Segment total HK\$'000 (Unaudited)	Unallocated HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Other segment information:							
Interest expenses on interest-bearing borrowings	-	-	-	-	-	(3,555)	(3,555)
Net gain on disposal of financial assets at FVPL	-	-	-	753	753	-	753
Net decrease in fair value of financial assets at FVPL	-	-	-	(12,726)	(12,726)	-	(12,726)
Net increase in fair value of investment properties	-	-	11,690	-	11,690	-	11,690
Impairment loss on property, plant and equipment	-	-	-	-	-	(5,564)	(5,564)
Impairment loss on non-current assets classified as held for sales	-	-	(10,276)	-	(10,276)	-	(10,276)
Addition to property, plant and equipment	107	525	-	6	638	20	658
Depreciation of property, plant and equipment	(145)	(16)	-	(8)	(169)	(1,430)	(1,599)

**3. SEGMENT INFORMATION (continued)**

Segment revenue and results for the six months ended 31 December 2024 are presented below:

	AI robots <i>HK\$'000</i> (Unaudited)	Property development <i>HK\$'000</i> (Unaudited)	Property investment <i>HK\$'000</i> (Unaudited)	Investment holding <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
<b>Revenue</b>	363	7,693	5,650	754	14,460
Other revenue and income	–	161	529	28	718
	363	7,854	6,179	782	15,178
<b>Results</b>					
Segment results	(5,731)	1,536	(44,438)	(12,217)	(60,850)
Unallocated corporate income					146
Unallocated corporate expenses					(9,485)
Finance costs					(4,383)
<b>Loss before taxation</b>					(74,572)
Taxation					693
<b>Loss for the period</b>					(73,879)

Segment assets and liabilities as at 30 June 2025 are presented below:

	AI robots <i>HK\$'000</i> (Audited)	Property development <i>HK\$'000</i> (Audited)	Property investment <i>HK\$'000</i> (Audited)	Investment holding <i>HK\$'000</i> (Audited)	Segment total <i>HK\$'000</i> (Audited)	Unallocated <i>HK\$'000</i> (Audited)	Total <i>HK\$'000</i> (Audited)
Assets	11,540	141,415	941,564	119,425	1,213,944	55,092	1,269,036
Liabilities	(1,010)	(89,384)	(380,668)	(200)	(471,262)	(10,398)	(481,660)

**3. SEGMENT INFORMATION (continued)**

Other segment information for the six months ended 31 December 2024 are presented below:

	AI robots <i>HK\$'000</i> (Unaudited)	Property development <i>HK\$'000</i> (Unaudited)	Property investment <i>HK\$'000</i> (Unaudited)	Investment holding <i>HK\$'000</i> (Unaudited)	Segment total <i>HK\$'000</i> (Unaudited)	Unallocated <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
Other segment information:							
Interest expenses on interest-bearing borrowings	-	-	-	-	-	(4,383)	(4,383)
Net gain on disposal of financial assets at FVPL	-	-	-	12,278	12,278	-	12,278
Net decrease in fair value of financial assets at FVPL	-	-	-	(24,357)	(24,357)	-	(24,357)
Net decrease in fair value of investment properties	-	-	(43,982)	-	(43,982)	-	(43,982)
Impairment loss on property, plant and equipment	-	-	-	-	-	(6,528)	(6,528)
Addition to property, plant and equipment	69	-	-	-	69	296	365
Depreciation of property, plant and equipment	(53)	(8)	(6)	(7)	(74)	(1,164)	(1,238)

There was no revenue generated from inter-segment transactions for both periods. Revenue from property development segment reported above represents sale of properties in the PRC to external customers. Revenue from the property investment segment and AI robots segment reported above represents rental income earned from and sale of AI robots and products to external customers. Segment results represent profit or loss attributable to each segment without allocation of corporate income, central administration expenses, finance costs and income tax credit. Total assets and liabilities represent all assets and liabilities under each segment together with unallocated corporate assets and liabilities other than those that have been eliminated on consolidation.

All assets are allocated to the operating and reportable segments except for certain property, plant and equipment of self-occupied properties, certain other receivables and certain cash and cash equivalents.



### 3. SEGMENT INFORMATION (continued)

#### Geographical information

The Group's operations are principally located in Hong Kong and the PRC (other than Hong Kong).

The following table provides an analysis of the Group's revenue from external customers by geographical market. For interest income and dividend income from financial assets at FVPL, the analysis is based on the location of the markets of the respective investments.

	Revenue by geographical market	
	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Hong Kong	4,755	4,292
The PRC	16,211	10,168
Europe	664	–
Middle East	92	–
Others	147	–
	<b>21,869</b>	14,460

The following is an analysis of the carrying amounts of non-current assets by geographical area in which the assets are located:

	Carrying amounts of non-current assets	
	31 December	30 June
	2025	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Hong Kong	131,241	174,911
The PRC	772,499	738,219
	<b>903,740</b>	913,130

Non-current assets presented above exclude financial assets. The Group does not have deferred tax assets, post-employment benefit assets and rights arising under insurance contracts.

**4. FINANCE COSTS**

	<b>Six months ended 31 December</b>	
	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
Interest expenses on bank and other borrowings	<b>3,555</b>	4,383

**5. LOSS BEFORE TAXATION**

	<b>Six months ended 31 December</b>	
	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)

Loss before taxation is stated after charging (crediting):

**Staff costs, including directors' emoluments**

Salaries and other benefits	<b>9,824</b>	8,195
Retirement benefit scheme contribution	<b>330</b>	291

<b>Total staff costs</b>	<b>10,154</b>	8,486
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**Other items**

Cost of inventories	<b>8,972</b>	4,190
Depreciation of property, plant and equipment	<b>1,599</b>	1,238
Direct operating expenses relating to investment properties that did not generate rental income	<b>467</b>	211
Impairment loss on non-current assets classified as held for sales*	<b>10,276</b>	–
Impairment loss on property, plant and equipment*	<b>5,564</b>	6,528
Exchange gain	<b>250</b>	(14)

\* The impairment loss on non-current assets classified as held for sales and property, plant and equipment for the period ended 31 December 2025 and the impairment loss on property, plant and equipment for the period ended 31 December 2024 have been included in the "Other expenses" line item in the condensed consolidated statement of comprehensive income.



## 6. TAXATION

	Six months ended 31 December	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
<b>Current tax</b>		
PRC Land Appreciation Tax	-	129
	-	129
<b>Deferred tax</b>		
Provision for (Reversal of) temporary differences	<b>3,684</b>	(822)
<b>Total income tax expenses (credit)</b>	<b>3,684</b>	(693)

Hong Kong Profits Tax has not been provided as the Group incurred a loss for taxation purposes for the six months ended 31 December 2025 and 2024.

The PRC Enterprise Income Tax ("EIT") in respect of operations in the PRC is calculated at a rate of 25% (six months ended 31 December 2024: 25%) on the estimated assessable profits for the period based on existing legislation, interpretations and practices in respect thereof. EIT has not been provided for the period ended 31 December 2025 as the Group's estimated assessable profits for the period are wholly absorbed by unrelieved tax losses brought forward from previous years.

The PRC Land Appreciation Tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including land costs, borrowing costs, business tax and all property development expenditures. LAT is recognised as an income tax expense. LAT paid is a deductible expense for EIT purposes.

## 7. LOSS PER SHARE

The calculation of the basic loss per share for the six months ended 31 December 2025 is based on the loss attributable to equity holders of the Company of approximately HK\$31,364,000 (*six months ended 31 December 2024: HK\$1,226,000*) and on the weighted average of 3,055,105,739 (*six months ended 31 December 2024: 3,055,105,739*) ordinary shares of the Company in issue during the period.

The diluted loss per share is the same as the basic loss per share for the six months ended 31 December 2025 and 2024. The Company did not have any dilutive potential ordinary shares during the six months ended 31 December 2025 and 2024.

## 8. INVESTMENT PROPERTIES

	<b>31 December 2025 HK\$'000 (Unaudited)</b>	30 June 2025 HK\$'000 (Audited)
<b>Fair value</b>		
At the beginning of the reporting period	<b>855,815</b>	407,624
Transfer from properties held for sales	–	452,164
Transfer to non-current assets classified as held for sales	<b>(23,144)</b>	(82,800)
Increase in fair value	<b>11,690</b>	74,522
Exchange difference	<b>8,528</b>	4,305
	<b>852,889</b>	855,815

During the year ended 30 June 2025, the Group started to actively source buyers for the sale of certain investment properties held by the Group which are located in Hong Kong. Since the disposal transactions are expected to be completed within one year, the carrying value of HK\$23,144,000 and HK\$82,800,000 were classified as non-current assets held for sales as at 31 December 2025 and 30 June 2025 respectively.

As at 31 December 2025, the Group's investment properties and non-current assets classified as held for sales with a carrying value of HK\$84,891,000 and HK\$95,668,000 respectively (*30 June 2025: HK\$121,900,000 and HK\$82,800,000 respectively*) were pledged to secure bank borrowings and bank facilities granted to the Group.

As at 31 December 2025, certain investment properties transferred from properties held for sales with carrying amount of RMB60,895,000 (equivalents to approximately HK\$67,303,000) (*30 June 2025: RMB59,025,000 (equivalent to approximately HK\$64,508,000)*) were frozen by the court in Wuxi, the PRC in relation to a claim against the Group, as further detailed in note 13(c) to these Interim Financial Statements.

In addition, as at 31 December 2025, certain of these investment properties with carrying amounts of approximately RMB96,116,000 (equivalent to approximately HK\$106,231,000) (*30 June 2025: RMB73,999,000 (equivalent to approximately HK\$80,873,000)*) were frozen by the court in Wuxi, the PRC in relation to a litigation of accounts payables against the Group.

## 9. PROPERTY, PLANT AND EQUIPMENT

The directors have reviewed the carrying value of land and building and determined that the recoverable amount from the use or sale of certain of these assets had significantly declined below their carrying amount. Since the economic performance of land and buildings is worse than expected, the carrying value of these assets has been reduced by HK\$5,564,000 (30 June 2025: HK\$11,889,000) to reflect this impairment loss. The recoverable amount of these assets amounted to HK\$44,776,000 (30 June 2025: HK\$51,100,000), which are stated at fair value less costs of disposal and categorised as level 3 of the fair value hierarchy, are determined by reference to the market price of an active market.

As at 31 December 2025, the Group's land and buildings with carrying value of HK\$44,776,000 (30 June 2025: HK\$51,100,000) were pledged to secure bank borrowings and bank facilities granted to the Group.

## 10. PROPERTIES HELD FOR SALES

	<b>31 December 2025 HK\$'000 (Unaudited)</b>	30 June 2025 HK\$'000 (Audited)
Properties held for sales ("PHS")	<b>99,828</b>	105,125

The PHS are located in the PRC and held under lease term of 40 years from 2014 to 2053.

## 11. FINANCIAL ASSETS AT FVPL

	<i>Note</i>	<b>31 December 2025 HK\$'000 (Unaudited)</b>	30 June 2025 HK\$'000 (Audited)
Unlisted investment funds	<i>(a)</i>	<b>11,356</b>	17,962
Listed equity securities	<i>(b)</i>		
– Hong Kong		<b>10,670</b>	19,584
– the PRC		<b>631</b>	709
– Overseas		<b>805</b>	531
Listed debt instruments	<i>(c)</i>		
– Hong Kong		<b>641</b>	1,152
– Overseas		<b>406</b>	471
		<b>24,509</b>	40,409

## 11. FINANCIAL ASSETS AT FVPL (continued)

Notes:

- (a) The unlisted investment funds mainly comprise:
- (i) As at 31 December 2025, the unlisted investment funds represented 100% Class A participating, redeemable, non-voting shares of Green Asia Restructure SP and 100% Class A participating, redeemable, non-voting shares of Green Asia Restructure SP II (collectively the “**Green Asia Funds**”) with carrying amount of approximately HK\$3,116,000 (30 June 2025: approximately HK\$4,580,000) and HK\$3,759,000 (30 June 2025: approximately HK\$3,966,000). The Green Asia Funds are segregated portfolios held by a third party of the Group, Green Asia Restructure Fund SPC, an exempted company incorporated in the Cayman Islands with limited liability (“**Green Asia**”), which is managed by a third party of the Group, Long Asia Asset Management Limited, a company incorporated in the Cayman Islands with limited liability.

Green Asia is registered as segregated portfolio company in the Cayman Islands. The investment objective of Green Asia is capital appreciation by investing in the business of originating, underwriting, acquiring and trading debt securities and loans in listed and unlisted corporate, which may be publicly traded or privately placed.

On 18 January 2022, the Group issued redemption notices to Green Asia to redeem 4,200 Class A shares of the Green Asia Funds with aggregate redemption proceeds of HK\$30,497,000. In view of the failure in settlement of the redemption proceeds by Green Asia, the Group had filed petitions to the Grand Court of the Cayman Islands (the “**Grand Court**”) against Green Asia. Consequently, representatives from Deloitte Touche Tohmatsu and Deloitte & Touche LLP were appointed jointly and severally as receivers of the Green Asia Funds by the order from the Grand Court on 6 July 2022. HK\$19,445,000 (30 June 2025: HK\$19,445,000) of the redemption proceeds have been included and recognised as “other receivables” as at 31 December 2025.

As at 31 December 2025, the fair value of the Group’s investment in the Green Asia Funds amounted to approximately HK\$6,875,000 (30 June 2025: HK\$8,546,000), which was determined by the management with reference to the valuation report on Green Asia Funds issued by an independent professional valuer, APAC Appraisal and Consulting Limited (“**APAC**”), based on the net assets value of the Green Asia Funds as at 31 December 2025.

- (ii) As at 31 December 2025, included in the unlisted investment funds were 15,000 non-voting, non-redeemable and participating shares of Health Innovation Fund II SP (the “**Health Innovation Fund**”) at a total subscription amount of US\$750,000, which represented approximately 0.78% (30 June 2025: 0.78%) of the Health Innovation Fund under CMBI Private Equity Series B SPC.

The Health Innovation Fund is an exempted company incorporated with limited liability and registered as segregated portfolio company in the Cayman Islands. The investment objective of the CMBI Private Equity Series B SPC is capital appreciation by investing in an array of equity, equity-related and debt investments that are engaging in the healthcare industry.

As at 31 December 2025, the fair value of the Group’s investments in the Health Innovation Fund amounted to approximately HK\$4,481,000 (30 June 2025: approximately HK\$6,326,000).

**11. FINANCIAL ASSETS AT FVPL (continued)**

Notes: (continued)

- (b) The fair value of listed equity securities is based on quoted market prices in active market.

As at 31 December 2025, financial assets at FVPL with carrying amounts of approximately HK\$4,895,000 (30 June 2025: approximately HK\$7,033,000) are pledged as collateral to the margin loan facilities granted to the Group, together with a corporate guarantee provided by the Company. No margin loan facilities were utilised and outstanding as at 31 December 2025 and 30 June 2025.

- (c) As at 31 December 2025, the Group held debt instruments listed in Hong Kong and overseas amounting to approximately HK\$641,000 (30 June 2025: approximately HK\$1,152,000) and HK\$406,000 (30 June 2025: approximately HK\$471,000), which bore fixed interest at 7.25% (30 June 2025: 7.25%) and 7.25% (30 June 2025: 7.25%) per annum respectively. The fair value of these debt instruments as at 31 December 2025 and 30 June 2025 was determined on the basis of quoted market price.

The above financial instruments were designated at fair value upon initial recognition as they are managed and evaluated on a fair value basis.

**12. OTHER RECEIVABLES**

	<i>Note</i>	<b>31 December 2025 HK\$'000 (Unaudited)</b>	30 June 2025 HK\$'000 (Audited)
Loans and interest receivables	<i>(a)</i>	<b>19,394</b>	19,394
Loss allowances		<b>(19,394)</b>	(19,394)
		<b>–</b>	–
Rental receivables		–	536
Other receivables	<i>(c)</i>	<b>28,626</b>	28,326
Loss allowances	<i>(b)</i>	<b>(4,974)</b>	(4,800)
		<b>23,652</b>	24,062
Deposits, prepayments and other debtors		<b>5,262</b>	7,474
		<b>28,914</b>	31,536

**12. OTHER RECEIVABLES (continued)**

Notes:

- (a) As at 31 December 2025, the loans with principal amount of HK\$19,394,000 (*30 June 2025: HK\$19,394,000*) granted to a third-party borrower, in which the spouse of Mr. Yuen Chi Ping, a former director of the Company, had equity interest and had been a director until she resigned on 14 December 2019, were unsecured and interest-bearing at 4% (*30 June 2025: 4%*) per annum. Pursuant to the extension arrangement dated 8 September 2021, the Group had agreed to extend the repayment date in the following manner: (i) HK\$3,000,000 on or before 31 January 2022, which had been repaid during the year ended 30 June 2022; and (ii) the remaining balance on or before 30 September 2022.

The principal amount and interest receivables of HK\$8,450,000 had been settled during the year ended 30 June 2023 and the remaining balance of HK\$19,394,000 was overdue. In view of the default in settlement of the remaining balance, the Group had filed petitions to the High Court of the Hong Kong Special Administrative Region in February 2023 for compulsory winding up of the borrower. On 20 September 2023, the court order to wind up the borrower was granted. On 24 January 2024, liquidators were appointed to handle the liquidation procedure.

- (b) The movement in the loss allowances for other receivables during the period/year is summarised below.

	<b>31 December 2025 HK\$'000 (Unaudited)</b>	30 June 2025 HK\$'000 (Audited)
Loss allowances for other receivables:		
At the beginning of the period/year	<b>4,800</b>	4,832
Exchange realignment	<b>174</b>	(32)
	<hr/> <b>4,974</b>	<hr/> 4,800

- (c) Included in the other receivables are the redemption proceeds of HK\$19,445,000 (*30 June 2025: HK\$19,445,000*) as detailed in note 11(a) to these Interim Financial Statements. The amounts of redemption proceeds were unsecured, interest-free and repayable on demand.

**13. ACCOUNTS AND OTHER PAYABLES**

	<i>Note</i>	<b>31 December 2025 HK\$'000 (Unaudited)</b>	30 June 2025 HK\$'000 (Audited)
<b>Accounts payable</b>			
To third parties	<i>(a)</i>	<b>87,906</b>	94,391
<b>Other payables</b>			
Accrued charges and other creditors		<b>22,820</b>	28,762
Deposits received		<b>70</b>	136
Contract liabilities	<i>(b)</i>	<b>7,759</b>	9,330
Provision for a legal claim	<i>(c)</i>	<b>29,252</b>	28,759
		<b>59,901</b>	66,987
		<b>147,807</b>	161,378

*Notes:*

- (a) The ageing analysis of accounts payable of the Group is presented based on recognition date at the end of the reporting period as follows:

	<b>31 December 2025 HK\$'000 (Unaudited)</b>	30 June 2025 HK\$'000 (Audited)
0-180 days	<b>1,432</b>	6,911
181-365 days	<b>832</b>	814
Over 365 days	<b>85,642</b>	86,666
	<b>87,906</b>	94,391

- (b) Contract liabilities represent sale proceeds received from customers in connection with the Group's pre-sale of properties. The deposit will be transferred to profit or loss when the Group's revenue recognition criteria are met.



**13. ACCOUNTS AND OTHER PAYABLES (continued)**

Notes: (continued)

- (c) The movements of the provision for a legal claim during the period/year are as follows:

	<b>31 December 2025 HK\$'000 (Unaudited)</b>	30 June 2025 HK\$'000 (Audited)
At the beginning of the period/year	<b>28,759</b>	42,756
Additional provision	-	(14,569)
Exchange realignment	<b>493</b>	572
At the end of the period/year	<b>29,252</b>	28,759

During the year ended 30 June 2023, a wholly-owned subsidiary of the Company, Wuxi Shengye Haigang Joint Stock Company Limited\* (無錫盛業海港股份有限公司) ("Wuxi Shengye"), received a writ of summons issued by the People's Court of Huishan District, Wuxi\* (無錫市惠山區人民法院) (the "Court") regarding a civil litigation (the "Litigation") filed by Mr. Su Keru (the "Plaintiff") against Mr. Chen Yonghua ("Mr. Chen") and Wuxi Shengye as the defendants.

In the statement of claim, it was alleged that, among others: (i) in December 2013, the Plaintiff paid the deposits for construction works of RMB20,000,000 to Mr. Chen and Mr. Chen failed to refund such deposits to the Plaintiff despite all conditions for refund had been satisfied; (ii) in July 2015, the Plaintiff provided a loan of RMB20,000,000 to Mr. Chen and Mr. Chen failed to repay such loan; and (iii) in May 2017, Wuxi Shengye acknowledged that such deposits and loan (together, the "Alleged Debt") were used in its development projects and agreed to repay the Alleged Debt jointly with Mr. Chen.

The Plaintiff was seeking from the Court for ordering that (i) Mr. Chen and Wuxi Shengye to jointly repay the Alleged Debt of RMB40,000,000 together with interests; and (ii) Mr. Chen and Wuxi Shengye to bear the costs of the Litigation. In this connection, the Court has issued an order for the seizure and freezing of the bank deposits and other assets of Mr. Chen and Wuxi Shengye as property preservation measures.

During the year ended 30 June 2024, Wuxi Shengye received a civil judgement (the "1st Judgement") issued by the Court which ruled that: (a) Mr. Chen shall repay the Alleged Debt of RMB40,000,000 together with interests to the Plaintiff immediately after the effective date of the 1st Judgement; (b) if Mr. Chen is unable to repay the debt mentioned in (a), Wuxi Shengye shall assume compensation liability for 50% of the unpaid amounts; and (c) all other claims filed by the Plaintiff were dismissed.

Based on the 1st Judgement, 50% compensation liability payable (inclusive of interest payable calculated on the basis directed by the Court) of approximately RMB39,821,000 (equivalent to approximately HK\$42,756,000) was provided by Wuxi Shengye as of 30 June 2024.

In May 2024, the Group had lodged an appeal against the 1st Judgement (the "Appeal") to the Intermediate People's Court of Huishan District, Wuxi (the "Intermediate Court").

During the year ended 30 June 2025, the Intermediate Court issued a civil judgement (the "2nd Judgement") and ruled that Wuxi Shengye shall repay the deposits for construction works of RMB20,000,000 together with interests, which are limited to the amount calculated based on the construction works of RMB20,000,000 with reference to the benchmark lending rates as directed by the Intermediate Court, to the Plaintiff.

**13. ACCOUNTS AND OTHER PAYABLES (continued)**

Notes: (continued)

With reference to a legal opinion from the PRC lawyer, the directors consider that no further provision other than the deposits for construction works of RMB20,000,000 and the related interests and costs is necessary.

Based on the 2nd Judgement, a reversal of the provision for legal claim of approximately RMB13,681,000 (equivalent to approximately HK\$14,569,000) was recorded as at 30 June 2025.

In September 2025, the Group had lodged an appeal against the 2nd Judgement (the "Final Appeal") to the Supreme People's Court of Wuxi City, Jiangsu Province. As at the date of these Interim Financial Statements, no judgement has been received from the Supreme People's Court in respect of the Final Appeal.

As at 31 December 2025, bank deposits of approximately RMB20,948,000 (equivalent to HK\$23,152,000) (30 June 2025: approximately RMB20,942,000 (equivalent to HK\$22,888,000)), majority of which were kept in the designated bank account for construction of properties, were frozen by the court in Wuxi, the PRC in relation to claims against the Group.

**14. SHARE CAPITAL**

	<b>31 December 2025</b> <b>(Unaudited)</b>		30 June 2025 (Audited)	
	<b>Number of shares</b>	<b>HK\$'000</b>	Number of shares	HK\$'000
<b>Authorised:</b>				
At beginning and end of the period/year, ordinary shares of HK\$0.01 each	<b>6,000,000,000</b>	<b>60,000</b>	6,000,000,000	60,000
<b>Issued and fully paid:</b>				
At beginning and end of the period/year, ordinary shares of HK\$0.01 each	<b>3,055,105,739</b>	<b>30,551</b>	3,055,105,739	30,551

**15. RELATED PARTY TRANSACTIONS****(a) Transaction**

In addition to the transactions/information disclosed elsewhere in the Interim Financial Statements, during the period, the Group had the following transaction with a related party:

Related party relationship	Nature of transaction	Six months ended 31 December	
		2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Director of the Company, Dr. Chan Kin Keung, Eugene	Consultancy fee	182	420

**(b) Remuneration to key management personnel**

Remuneration to key management personnel including amounts paid to the directors of the Company are as follows:

	Six months ended 31 December	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Audited)
Salaries and other benefits	4,797	1,566



## 16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The following table presents the carrying value of financial instruments measured at fair value at 31 December 2025 and 30 June 2025 across the three levels of the fair value hierarchy defined in HKFRS 13, "Fair Value Measurement", with the fair value measurement categorised in its entirety based on the lowest level of input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical financial instruments that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the financial instruments, either directly or indirectly; and
- Level 3 (lowest level): unobservable inputs for the financial instruments.

### (i) Financial assets measured at fair value

	31 December 2025 (Unaudited)			
	Total HK\$'000	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000
<i>Financial assets at FVPL:</i>				
Unlisted investment funds	11,356	-	-	11,356
Listed equity securities				
- Hong Kong	10,670	10,670	-	-
- the PRC	631	631	-	-
- Overseas	805	805	-	-
Listed debt instruments				
- Hong Kong	641	641	-	-
- Overseas	406	406	-	-
	<b>24,509</b>	<b>13,153</b>	-	<b>11,356</b>
<i>Designated FVOCI:</i>				
Equity securities listed in Hong Kong	124	124	-	-

**16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)**
**(i) Financial assets measured at fair value (continued)**

	Total HK\$'000	30 June 2025 (Audited)		
		Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000
<i>Financial assets at FVPL:</i>				
Unlisted investment funds	17,962	–	3,090	14,872
Listed equity securities				
– Hong Kong	19,584	19,584	–	–
– the PRC	709	709	–	–
– Overseas	531	531	–	–
Listed debt instruments				
– Hong Kong	1,152	1,152	–	–
– Overseas	471	471	–	–
	40,409	22,447	3,090	14,872
<i>Designated FVOCI:</i>				
Equity securities listed in Hong Kong	96	96	–	–

The details of the movements of the fair value measurements categorised as Level 3 of the fair value hierarchy during the six months ended 31 December 2025 and the year ended 30 June 2025 are as follows:

**Movements in Level 3 fair value measurements**

	Financial assets at FVPL	
	31 December 2025 HK\$'000	30 June 2025 HK\$'000
At the beginning of the period/year	14,872	71,724
Transfer to Level 2	–	(3,090)
Proceeds from disposal of financial assets at FVPL	–	(68,797)
Recognised in profit or loss:		
Gain on disposal of financial assets at FVPL	–	13,165
(Decrease) Increase in fair value	(3,516)	1,870
<b>At the end of the period/year</b>	<b>11,356</b>	<b>14,872</b>

## 16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

## (i) Financial assets measured at fair value (continued)

**Quantitative information of the significant unobservable inputs and description of valuation techniques used in Level 3 fair value measurements**

The quantitative information of the significant unobservable input and description of valuation techniques used in Level 3 fair value measurements (including the description of the sensitivity to changes in unobservable inputs for recurring Level 3 fair value measurements) are as follows:

Description	Fair value at		Valuation techniques	Unobservable input	Sensitivity of fair value to changes in unobservable inputs
	31 December 2025 HK\$'000 (Unaudited)	30 June 2025 HK\$'000 (Audited)			
<b>Financial assets at FVPL</b>					
Unlisted investment funds					
- Other unlisted investment funds	4,481	6,326	Trending analysis	Market capitalisation/ Market indices	If the market capitalisation/market indices increased/decreased by 10% (30 June 2025: 10%), the fair value of the unlisted investment funds would increase/decrease by HK\$448,000 (30 June 2025: HK\$633,000).
- Green Asia Funds	6,875	8,546	Net asset value	Recovery rate of underlying financial assets	If the recovery rate increased/decreased by 5% (30 June 2025: 5%), the fair value of the Green Asia Funds would increase/decrease by HK\$344,000 (30 June 2025: HK\$427,000).

**16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)**
**(ii) Investment properties measured at fair value**

	<b>Total</b> <i>HK\$'000</i>	<b>Level 1</b> <i>HK\$'000</i>	<b>Level 2</b> <i>HK\$'000</i>	<b>Level 3</b> <i>HK\$'000</i>
<b>At 31 December 2025</b>				
Investment properties	<b>852,889</b>	-	-	<b>852,889</b>
<hr/>				
<b>At 30 June 2025</b>				
Investment properties	855,815	-	-	855,815
<hr/>				

The fair value of the Group's investment properties is determined with reference to the valuation report issued by an independent professional Valuer, APAC. The valuation, which conforms to the Hong Kong Institute of Surveyors Valuation Standards on Properties, was conducted on an open market basis by the direct comparison approach assuming sale with the benefit of vacant possession or by making reference to comparable sales evidence as available in the relevant market, or by the income approach based on capitalisation of rental income and reversionary income potential. Sales prices of comparable properties in close proximity adjusted for differences in key valuation attributes, such as size and age, were used to value the properties. The most significant input used in this valuation approach is price per square foot or market yields.

The movements of the fair value measurements categorised as Level 3 of the fair value hierarchy during the six months ended 31 December 2025 and the year ended 30 June 2025 are as follows:

***Movements in Level 3 fair value measurements***

	<b>Investment properties</b>	
	<b>31 December</b> <b>2025</b> <i>HK\$'000</i>	30 June 2025 <i>HK\$'000</i>
At the beginning of the reporting period	<b>855,815</b>	407,624
Transfer from properties held for sales	-	452,164
Transfer to non-current assets classified as held for sales	<b>(23,144)</b>	(82,800)
Increase in fair value	<b>11,690</b>	74,522
Exchange difference	<b>8,528</b>	4,305
<hr/>		
At the end of the reporting period	<b>852,889</b>	855,815
<hr/>		

## 16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

## (ii) Investment properties measured at fair value (continued)

**Quantitative information of the significant unobservable inputs and description of valuation techniques used in Level 3 fair value measurements**

The quantitative information of the significant unobservable inputs and description of valuation techniques used in Level 3 fair value measurement (including the description of the sensitivity to changes in unobservable inputs for recurring Level 3 fair value measurements) are as follows:

Description	Fair value at		Valuation techniques	Unobservable input	Sensitivity of fair value to changes in unobservable inputs
	31 December 2025	30 June 2025			
	HK\$'000	HK\$'000			
<b>Investment properties at fair value</b>					
Investment properties located in Hong Kong	84,891	121,900	Direct comparison approach	Market unit rate between HK\$17,000/sq.ft. to HK\$31,000/sq.ft (30 June 2025: Market unit rate between HK\$21,000/sq.ft. to HK\$32,000/sq.ft)	If the market unit rate increased/decreased, the fair value of investment properties would increase/decrease.
Investment properties located in the PRC	767,998	733,915	Income approach	Market yields between 5.1% to 5.6% (30 June 2025: Market yields between 5.25% to 5.5%)	If the market yields increased/decreased, the fair value of investment properties would increase/decrease.

## 17. INTERIM DIVIDEND

The directors do not recommend payment of an interim dividend for the six months ended 31 December 2025 (six months ended 31 December 2024: Nil).



## MANAGEMENT DISCUSSION AND ANALYSIS

### INTERIM DIVIDEND

The Board of Directors of the Company does not recommend the payment of an interim dividend for the six months ended 31 December 2025 (2024: nil).

### RESULTS

The Company recorded a loss of HK\$32,252,000 for the six months ended 31 December 2025 as compared to the loss of HK\$73,879,000 for the six months ended 31 December 2024. The loss for the six months ended 31 December 2025 was mainly attributable to, among others, the net decrease in fair value of financial assets at fair value through profit or loss (“**FVPL**”) of HK\$12,726,000 and impairment loss on non-current assets classified as held for sales of HK\$10,276,000. The decrease in loss was mainly due to, among others, net impact of (i) the fair value loss of the Group’s investment properties from a loss of approximately HK\$43,982,000 for the six months ended 31 December 2024 as compared to a gain of approximately HK\$11,690,000 for the six months ended 31 December 2025; (ii) a decrease in the fair value loss of financial assets at FVPL from approximately HK\$24,357,000 for the six months ended 31 December 2024 to approximately HK\$12,726,000 for the six months ended 31 December 2025; and (iii) a decrease in gain on disposal of financial assets at FVPL of approximately HK\$12,278,000 for the six months ended 31 December 2024 to approximately HK\$753,000 for the six months ended 31 December 2025. The Board wishes to emphasize that the above-mentioned factors (i) to (ii) are non-cash in nature.

### BUSINESS REVIEW

The Group’s principal businesses are AI robots, property development, property investment and investment holding. Navigating a complex market landscape, the Group focused achieving breakthroughs in strategic emerging businesses while maintaining stable operations in traditional sectors. Among these, the AI robots business emerged as key driver for the Group’s growth.



## MANAGEMENT DISCUSSION AND ANALYSIS

### AI Robots

Globally, the robotics industry is booming, with AI robots standing out as a high-growth core segment. The global AI robots market has witnessed explosive growth in recent years. According to market research report of Fortune Business Insights, a market research platform, the scale of the global AI robots market was valued approximately US\$6.19 billion in 2025, with an estimated annual growth rate of approximately 30% from 2026 to 2034. As one of the world’s largest robotics markets, China is a key driver of this global expansion, a momentum fueled by its vast manufacturing base, rapidly growing service sector, and substantial government backing for technological innovation.



Product Matrix (Partial)

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Current Development

AI robots is a central pillar of the Company's development. With the steady progress of our related initiatives, the Group has already secured a series of notable achievements in this field. Aligned with the 15th Five-Year Plan's focus on technological innovation, AI-robot development benefit from strong national policy support and advancing core technologies. With sustained R&D investment and scaled commercialization, AI robots will continue to drive strong growth and enhance the Group's long-term competitiveness. During the reporting period, the Company's AI robots segment recorded a significant period-on-period increase in revenue. As at the date of this interim report, the revenue generated during the six months ended 31 December 2025 was HK\$2,957,000, compared to HK\$363,000 during the six months ended 31 December 2024, increased by HK\$2,594,000, or 714%. As at 31 December 2025, the aggregate value of contracted but unrecognised revenue stands at approximately HK\$6,173,000. Over the past year, the Group has consistently increased R&D investment, AI algorithm capabilities have been continuously enhanced, hardware performance design has driven ongoing innovation, and positive progress has been made in the application development of multimodal large models supporting Cantonese dialogue, motion gesture recognition, facial expression recognition, etc.



Automatic Marble Polishing Service  
for Shopping Malls



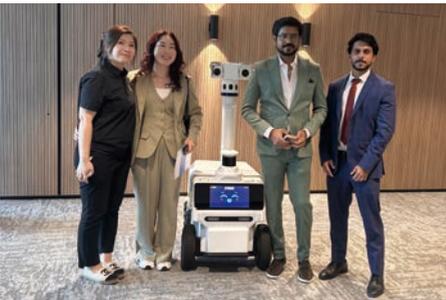
Receiving Visitors  
at the University Open Day

## MANAGEMENT DISCUSSION AND ANALYSIS

### 2. Market Expansion

In terms of market expansion, the Group has made steady progress in advancing its dual-track strategy of developing in China, Hong Kong and international markets. In the Hong Kong market, we have established collaborations with multiple government departments, developers and property management clients. We have successfully entered the supplier lists of numerous major corporations, with our services spanning housing estates, shopping malls, office buildings, hotels, schools, hospitals, airports, parks, power facilities and sports venues. We create value to clients through our AI RaaS integrated solutions and diverse business collaboration models. Nevertheless, in 2025, the Group actively expanded its market presence to solidify its business foundation through collaborations with diverse enterprises and institutions. In 2026, we will fully advance multi-scenario replication and deepen cooperative partnerships.

In the international market, the Group promoted its products and solutions to multiple regions mainly focused on the Middle East and Southeast Asia. It has also made sales to the Middle East and Southeast Asia, providing robots application services to local customers. Meanwhile, the Group has signed cooperation agreements with major enterprises in countries such as Malaysia, Australia, Denmark, Spain and Pakistan, further expanding its global business influence.



Meeting with the Middle East Investment Delegation at the Science Park



Signing a Memorandum of Understanding with Mach 1, a Malaysian Company



## MANAGEMENT DISCUSSION AND ANALYSIS

### 3. *Future Plans*

In the future, the Group will comprehensively enhance its core competitiveness in the field of AI robots through four dimensions, i.e., technological innovation, product optimization, market expansion and ecosystem construction. In terms of technology and product, the Group plans to continuously increase its R&D investment over the next three years, focusing on key technologies such as AI innovation applications and robotic cluster scheduling, and accelerate the transformation of research outcomes through deepening industry-academia-research collaboration. At the same time, we will continuously enrich our product lines according to market demands, develop new types of robots for scenarios like family services and healthcare and elderly care, and upgrade the software and hardware of existing products to enhance user experience, gradually transforming towards providing integrated solutions that combine software and hardware.

In terms of the market and ecosystem, the Group will adopt a dual-track expansion strategy: (i) in the Hong Kong market, we will focus on vertical sectors such as smart communities and intelligent manufacturing to strengthen brand influence; and (ii) in the international market, we will consolidate its existing layout and explore emerging regions, build a global marketing and service system, and actively participate in international standard-setting to enhance our say. In addition, the Group will also enhance the resilience of the supply chain through collaborative cooperation along the upstream and downstream of the industrial chain, participate in the construction of industry standards to regulate market order, and join hands with universities to strengthen cultivation of professional talents, thereby building a solid talent and industrial ecosystem foundation for sustainable development.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Property Development

After the acquisition of Wuxi Shengye Haigang Joint Stock Company Limited\* (無錫盛業海港股份有限公司) (“**Wuxi Shengye**”) in June 2017, the pre-sale of the properties under development commenced in October 2017 and the construction of the whole project (the “**Wuxi Property Project**”) has completed gradually as at 30 June 2023. Most of the apartment portion of the first and second phase have been delivered to customers as at 30 June 2021. During the six months ended 31 December 2025, some apartments were delivered to customers and recognised a revenue of HK\$12,164,000 with overall gross profit margin of 28% after reversing the revaluation consolidated adjustment. As at 31 December 2025, the sales amount of the contracts signed but properties not yet delivered were approximately HK\$7,759,000. Looking ahead to 2026, supported by policy optimisation, improved market liquidity and the high-quality development direction outlined in the 15th Five-Year Plan by the Chinese government, the real estate sector maintains stable operation and resilient demand. The overall performance of the real estate industry in China will continue to generate stable revenue and profit, supporting the Group’s long-term sustainable growth.

### Property Investment

The Group commenced sub-division of the property of the whole 24th Floor, Tower One, Lippo Centre, No. 89 Queensway, Hong Kong (the “**Sub-division Properties**”) in October 2018 and the sub-division was completed in February 2019. The Sub-division Properties included three self-use units and fifteen leasing units as at 31 December 2025. The fair value of the Sub-division Properties classified as investment properties and non-current assets classified as held for sales as at 31 December 2025 were HK\$84,891,000 and HK\$95,668,000 (30 June 2025: HK\$121,900,000 and HK\$82,800,000). During the six months ended 31 December 2025, Hong Kong’s Grade A office market faces subdued demand amid high vacancy rates.



## MANAGEMENT DISCUSSION AND ANALYSIS

Anchored on the AI robotics industry chain, the Group will develop an AI technology industrial park (the “**Park**”) with an area of approximately 95,000 square meters. The Park features supporting facilities such as a warehouse center, exhibition and sales center, cross-border service center, and R&D center. It aims to attract upstream and downstream technology innovation enterprises, including companies in AI algorithm R&D, sensor manufacturing, and chip design. By providing office and production space to foster an industrial cluster, the Park is designed to create technological, market, and supply chain synergies with the Novautek’s AI robotics business, thereby further strengthening its foothold in the AI robots sector. Additionally, as at 31 December 2025, there are 785 parking spaces in total in the leased car park (the “**Car Park**”) of the Wuxi Property Project, and the fair values of its Car Park and commercial properties (the “**Commercials**”) were HK\$43,410,000 and HK\$724,588,000, respectively.

The fair value of the Group’s investment properties increased by HK\$11,690,000 for the six months ended 31 December 2025 (2024: decreased by HK\$43,982,000).

The Group’s investment properties contributed rental and management income of HK\$6,720,000 in total for the six months ended 31 December 2025 (2024: HK\$5,650,000). More rental and management income were generated mainly due to the new lease of Commercials during the six months ended 31 December 2025.

### Investment Holding

The Group’s investment strategy for its investment holding business is mainly to diversify its investments in unlisted investment funds, listed equity securities and listed debt instruments. For the six months ended 31 December 2025, the Group recorded interest and dividend income from financial assets at FVPL of HK\$28,000 (2024: HK\$754,000), net gain on disposal of financial assets at FVPL of HK\$753,000 (2024: net gain of HK\$12,278,000) and a decrease in fair value of financial assets at FVPL of HK\$12,276,000 (2024: HK\$24,357,000). Details of the significant investments held by the Group for the six months ended 31 December 2025 are set out as follows:



## MANAGEMENT DISCUSSION AND ANALYSIS

### *Zall Smart Commerce Group Ltd. (“Zall Smart”)*

As at 31 December 2025, the Group held 93,973,000 ordinary shares of Zall Smart, representing approximately 0.8% of the total issued share capital of Zall Smart. The shares of Zall Smart are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 2098). Zall Smart and its subsidiaries are principally engaged in developing and operating large-scale consumer product-focused wholesale shopping malls in the People’s Republic of China (the “**PRC**”), and providing supply chain management and trading business, e-commerce services, financial services, warehousing and logistics services for online and offline customers. The acquisition cost of Zall Smart’s shares held by the Group as at 31 December 2025 was HK\$1.28 per share. As at 31 December 2025, the fair value of the investment in Zall Smart was approximately HK\$9,491,000, which represented approximately 1% of the Group’s total assets. For the six months ended 31 December 2025, the Group disposed of 428,000 shares of Zall Smart and recognised gain on disposal of HK\$49,000, while the fair value of the Group’s investment in Zall Smart decreased by HK\$8,833,000. Apart from that, the Group had not received and recognised any dividend or other investment income from its holding of Zall Smart’s shares.

The remaining investments held by the Group mainly included unlisted investment funds, listed equity securities and listed debt instruments, each of which represented less than 5% of the Group’s total assets as at 31 December 2025.



## MANAGEMENT DISCUSSION AND ANALYSIS

### PROSPECTS

Since the second half of 2025, the global economy has gradually shifted towards accommodative policies, with both geopolitical realignments and technological competition. Capitalising on the commencement of the 15th Five-Year Plan, China's economy has steadily recovered, with the deepening of the cultivation of new-quality productive forces and the unlocking of vast potential for the integration of AI and robotics.

Looking back on 2025, the Group adhered to its established strategy, driving capital structure optimisation towards "lightweight, high value" operations and achieving significant results in lean operations. As its strategic core vehicle, Novautek Autonomous Driving Limited ("**Novautek Autonomous Driving**") enhanced the integration of AI technology, robotics and smart city services, enabling the widespread application of AI robots and garnering multiple awards. Meanwhile, its AI RaaS solution progressed steadily, laying a solid foundation for its global expansion.

Looking ahead to 2026, the Group will focus on its core objectives to drive transformative business growth. Firstly, centred on Novautek Autonomous Driving, the Group will expand the application scenarios of "AI + Robotics" and optimise the AI RaaS service model to strengthen its competitive differentiation. Secondly, the Group will implement global deployment, leveraging its AI RaaS solution to accelerate its expansion into key Southeast Asian markets and achieve breakthrough progress. Thirdly, the Group will deepen ecosystem synergies by upgrading its marketing platform of AI agents, expanding into niche scenarios and cultivating new growth drivers. Fourthly, the Group will remain committed to sustainable development by enhancing lean operations and establishing a tripartite platform integrating "AI + Robotics + Capital" for value creation.

The Group and Novautek Autonomous Driving will unite in purpose and pursue pragmatic action. They will seize industry opportunities and address market challenges to drive high-quality development, thereby creating greater value for shareholders, customers and society.



## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### Revenue, cost of sales and gross profit margin

The revenue of the Group increased by HK\$7,409,000, or 51%, from HK\$14,460,000 for the six months ended 31 December 2024 to HK\$21,869,000 for the six months ended 31 December 2025. The revenue sources for the six months ended 31 December 2025 has become more diversified, not only including sales of property, rental income generated by leasing properties, but also the rental income and sales income generated by AI robots. The decrease in gross profit margin was mainly due to the unit price of property sold was relatively higher during the six months ended 31 December 2024.

#### Net gain on disposal of financial assets at FVPL

Net gain on disposal of financial assets at FVPL of the Group was HK\$753,000 for the six months ended 31 December 2025 (2024: HK\$12,278,000). There was no material gain from disposal of a single investment fund for the six months ended 31 December 2025. The net gain was mainly generated from disposal of an unlisted investment fund for the six months ended 31 December 2024.

#### Net decrease in fair value of financial assets at FVPL

Net decrease in fair value of financial assets at FVPL of the Group decreased by HK\$11,631,000, or 48%, from HK\$24,357,000 for the six months ended 31 December 2024 to HK\$12,726,000 for the six months ended 31 December 2025. The fair value loss for the six months ended 31 December 2025 was mainly derived from decrease in the share price of Zall Smart's shares. During the six months ended 31 December 2025, the fair value of the Group's investment in Zall Smart decreased by HK\$8,833,000 (2024: HK\$12,666,000). As at 31 December 2025, the fair value of the investment in Zall Smart was mainly based on quoted market prices in the active market.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Net increase/(decrease) in fair value of investment properties

The net fair value gain of investment properties of the Group was HK\$11,690,000 for the six months ended 31 December 2025 (2024: net fair value loss of HK\$43,982,000). The fair value of investment properties of the Group was determined with reference to the valuation conducted by an independent professional valuer, APAC Appraisal and Consulting Limited. The valuer has adopted the direct comparison method for the valuation by comparing recent market evidence of similar properties located in the neighborhood area. The fair value of investment properties was affected by the economy and properties market of Hong Kong and the PRC. The overall trading volume, selling price and rent of grade-A offices in Hong Kong were still decreasing affected by complication reasons, such as financial sector downsizing, hybrid work trends and decentralization. Meanwhile, the fair value uplift of the Group's PRC investment properties was driven by policy tailwinds, robust fundamentals of core Grade A CBD assets and monetary easing-led cap rate compression.

### Selling expenses

Selling expenses of the Group increased by HK\$2,308,000, or 84%, from HK\$2,761,000 for the six months ended 31 December 2024 to HK\$5,069,000 for the six months ended 31 December 2025. The selling expenses for the six months ended 31 December 2025 mainly comprised of salaries and operating expenses. The increase in selling expenses was mainly due to expanded selling activities from AI robot segment during the period.

### Administrative expenses

Administrative expenses of the Group decreased by HK\$1,169,000, or 9%, from HK\$12,498,000 for the six months ended 31 December 2024 to HK\$11,329,000 for the six months ended 31 December 2025. The administrative expenses for the six months ended 31 December 2025 mainly comprised of staff costs, legal and professional fees and depreciation. The Group has achieved a steady improvement in its overall performance by reducing costs and increasing efficiency and optimizing relevant administrative expenses.

### Research and development expenses

Research and development expenses of the Group increased by HK\$851,000, or 102%, from HK\$837,000 for the six months ended 31 December 2024 to HK\$1,688,000 for the six months ended 31 December 2025. The increase in research and development costs was mainly due to the boosting development in our AI RaaS integrated solutions.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Other expenses

Other expenses of the Group increased by HK\$9,312,000 or 143%, from HK\$6,528,000 for the six months ended 31 December 2024 to HK\$15,840,000 for the six months ended 31 December 2025. The increase in other expenses was mainly due to the impairment loss on non-current assets classified as held for sales of HK\$10,276,000.

### Finance cost

Finance cost of the Group decreased by HK\$828,000, or 19%, from HK\$4,383,000 for the six months ended 31 December 2024 to HK\$3,555,000 for the six months ended 31 December 2025. The decrease in finance costs was due to the decrease in effective interest rate and the loan balance.

### Loss for the period

Loss for the period of the Group decreased by HK\$41,627,000, or 56%, from HK\$73,879,000 for the six months ended 31 December 2024 to HK\$32,252,000 for the six months ended 31 December 2025. The loss for the six months ended 31 December 2025 was mainly due to the net decrease in fair value of financial assets at FVPL of HK\$12,726,000 and the impairment loss on non-current assets classified as held for sales of HK\$10,276,000. The Board would like to emphasize that such decreases in fair value were non-cash in nature.

### Liquidity, financial resources and capital structure

As at 31 December 2025, the Group had current assets of HK\$324,284,000 (30 June 2025: HK\$355,810,000) and current liabilities of HK\$321,301,000 (30 June 2025: HK\$341,929,000), representing a current ratio of approximately 1.01 times (30 June 2025: approximately 1.04 times). The Group's total equity and the total bank and other borrowings as at 31 December 2025 amounted to HK\$762,321,000 (30 June 2025: HK\$787,376,000) and HK\$171,102,000 (30 June 2025: HK\$178,186,000) respectively. As at 31 December 2025, all of the bank and other borrowings of the Group were repayable within one year (30 June 2025: approximately HK\$178,186,000 were repayable within one year). The gearing ratio of the Group as at 31 December 2025, calculated as a ratio of the total bank and other borrowings to the total equity, was approximately 22% (30 June 2025: approximately 23%).



## MANAGEMENT DISCUSSION AND ANALYSIS

### PRINCIPAL RISK AND UNCERTAINTIES

The Group is principally engaged in AI robots, property development, property investment and investment holding. The financial position, operations, businesses and prospects of the Group and its individual business segment are affected by the following significant risks and uncertainty factors:

#### Business Risk

The Group's robots business is contingent upon performance in both Hong Kong and international markets. Robotics technology belongs to the high-tech sector with abrupt shifts in market demand, rapidly evolving technological advancement and fast product updates and iterations. To maintain competitiveness, supply chain agility and accuracy for forecasting market demand are critical. However, as the AI robots business is still in the growth stage, the commercial model of the AI robots requires continuous optimization based on market feedback and is therefore influenced by market factors to a certain extent. The Group will proactively manage related risks and dynamically adjust operation strategies to enhance the sustainable development capabilities of this business.

The prospects of the Group's property business depend on the performance of the property market in Hong Kong and the PRC. Also, the fair values of the Group's investment properties and financial results of the property development segment directly link to the performance of the property market in Hong Kong and the PRC. Any real estate market downturn in Hong Kong and the PRC may materially and adversely affect the financial position, operations, businesses and prospects of the Group and may lead to fair value loss of the Group's investment properties and net loss from property development segment. The real estate markets in Hong Kong and the PRC are affected by many factors, including but not limited to, changes in the local's economic, political, social and legal environment, and changes in the local's fiscal and monetary policy, all of which are beyond the control of the Group. The management policy to mitigate this risk is to diversify the Group's business in terms of asset composition, revenue and profitability.

#### Market Risk

While robotics technology theoretically holds broad application prospects across multiple fields, such as commercial application, property management, logistics distribution, medical services, industrial production, and home care, the expansion of the robotics market faces numerous challenges in the practical commercialization process. The requirements of different industries and customers vary greatly for the functions, prices, safety, and other aspects of robots, with some customers remaining cautious about adopting the new technologies. The Group is actively embracing emerging business models such as RaaS to gradually enhance the market's application of robots.



## MANAGEMENT DISCUSSION AND ANALYSIS

The Group's property investment business is operating in a rather competitive environment as rental rates of properties are transparent in property leasing market in Hong Kong and the PRC. The transparency of the leasing market puts pressure on the revenue and profitability of the Group's property investment business. The management policy to mitigate this risk is to diversify its property investment portfolio (where possible) in terms of property type and location.

The real estate market in the PRC is highly competitive. The areas that are in competition include quality, design, brand, cost control and environment ancillary facilities. If the competitors of the Group keep on improving their products, the Group will improve its quality and strengthen cost control to catch the market and maintain the sales turnover.

### Financial Risk

The Group is exposed to financial risks relating to foreign currency, equity price, credit and liquidity risk in its ordinary course of business. As stated below, the majority of the Group's assets and liabilities were denominated in Renminbi ("**RMB**"), Hong Kong dollars ("**HK\$**") and United States dollars ("**US\$**"), and hence the exposure to foreign exchange risk was insignificant to the Group. The Group is exposed to price risk principally arising from listed equity investments held under financial assets at FVPL. Credit risk refers to the risk that debtors will default on their obligations to repay the amounts due to the Group. The Group's credit risk is mainly attributable to loans receivables and cash equivalents. The management considers that the credit risk in relation to the cash equivalents is insignificant as they were deposited in credit-worthy banks and securities brokers. The Group has monitored the credit risk from loans receivables on an on-going basis. Although a credit impairment on loans receivables of HK\$58,989,000 was noted during the financial year ended 30 June 2020, subsequently, partial repayments of HK\$10,000,000 and HK\$10,000,000 have been received during the financial year ended 30 June 2021 and 2022 respectively, and a further repayment of HK\$25,208,000 was received in July 2022. The Group would continue to take follow-up actions to recover the debts. The Group would maintain a sufficient level of cash and cash equivalents to finance the Group's operations and expected expansion. Therefore, the liquidity risk is insignificant.



## MANAGEMENT DISCUSSION AND ANALYSIS

### FOREIGN CURRENCY MANAGEMENT

The majority of the Group's assets and liabilities were denominated in RMB, HK\$ and US\$, and hence the exposure to foreign exchange risk was insignificant to the Group for the six months ended 31 December 2025. The Group does not engage in any foreign exchange speculation activities. It is the Group's policy to manage foreign exchange risk through matching foreign exchange income with expenses, and where exposure to foreign exchange is anticipated, an appropriate hedging instrument will be used.

### TREASURY POLICIES

As at 31 December 2025, the Group's bank and other borrowings of approximately HK\$161,971,000 (30 June 2025: HK\$166,971,000) and HK\$9,131,000 (30 June 2025: HK\$11,215,000) were denominated in HK\$ and RMB respectively. The balances of bank and other borrowings of approximately HK\$161,971,000 (30 June 2025: HK\$166,971,000) and HK\$9,131,000 (30 June 2025: HK\$11,215,000) were at variable and fixed interest rates respectively. Cash and cash equivalents held by the Group were mainly denominated in HK\$, RMB and US\$. The Group currently does not have interest rate hedging policies as the management of the Group does not expect unforeseeable interest rate risk as at 31 December 2025. However, the management of the Group monitors the interest rate exposure from time to time and may consider hedging the significant interest rate exposure if needed.

### SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in the section headed "Business Review – Investment Holding" in this interim report, the Group did not have any significant investments, nor material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 31 December 2025.

There has been no formal plan authorised by the Board for any significant investments, nor material acquisitions or disposals of subsidiaries, associates and joint ventures as at 31 December 2025 and up to the date of this interim report.



## MANAGEMENT DISCUSSION AND ANALYSIS

### FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have any future plans for material investments or capital assets during the six months ended 31 December 2025.

### OPERATING SEGMENT INFORMATION

Details of the operating segment information of the Group for the six months ended 31 December 2025 are set out in note 3 to the condensed consolidated financial statements of this interim report.

### CAPITAL COMMITMENTS

The Group had no material capital commitments as at 31 December 2025 (*30 June 2025: nil*).

### PLEDGE OF ASSETS

As at 31 December 2025, the Group had provided the following securities for banking facilities granted to the Group:

- (i) pledge of leasehold land and buildings under investment properties, non-current assets classified as held for sales and property, plant and equipment of the Group with carrying amounts of HK\$84,891,000, HK\$95,668,000 and HK\$44,776,000 respectively (*30 June 2025: HK\$121,900,000, HK\$82,800,000 and HK\$51,100,000 respectively*);
- (ii) assignment agreements in respect of rental income of the Group's certain investment properties duly executed by the Group in favour of the bank; and
- (iii) assignment agreements in respect of insurance compensation of the Group's Sub-division Properties located in Hong Kong and leasehold land and buildings duly executed by the Group in favour of the bank.

As at 31 December 2025, the fair value of the financial assets at FVPL of HK\$4,895,000 (*30 June 2025: HK\$7,033,000*) was pledged as collateral to margin loan facilities granted to the Group with a corporate guarantee provided by the Company. No margin loan facility was utilised as at 31 December 2025 (*30 June 2025: nil*).



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **CONTINGENT LIABILITIES**

The Group had no material contingent liabilities as at 31 December 2025 (*30 June 2025: nil*).

### **HUMAN RESOURCES AND REMUNERATION POLICY**

As at 31 December 2025, the Group employed a total of 57 (*30 June 2025: 56*) employees and executive Directors. The Group's total staff costs including Directors' emoluments amounted to HK\$10,154,000 for the six months ended 31 December 2025 (*2024: HK\$8,486,000*). The remuneration packages for Directors and employees are normally reviewed annually and are structured with reference to market terms and individual competence, performance and experience. The Group also provides medical insurance coverage and operates a provident fund scheme or relevant fund scheme for its employees in Hong Kong and the PRC.

### **SUBSEQUENT EVENTS**

The Group has no material events subsequent to the reporting period as at 31 December 2025 which were required to be disclosed as at the date of this interim report.



## MANAGEMENT DISCUSSION AND ANALYSIS

### USE OF PROCEEDS FROM THE SUBSCRIPTION AND CHANGE IN THE INTENDED USE OF THE NET PROCEEDS

The Company successfully completed the allotment and issuance of 550,000,000 new ordinary shares of the Company (the “**Shares**”) under the specific mandate to Ruixing Investments Limited at a price of HK\$0.068 per Share (the “**Subscription**”) on 30 October 2023, the subscription price represents: (i) a discount of approximately 17% to the closing price of HK\$0.082 per Share as quoted on the Stock Exchange on the date of the subscription agreement; and (ii) a discount of approximately 19% to the average closing price of approximately HK\$0.084 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the subscription agreement. The Company considered that the Subscription will raise additional funds for the Group’s business operations, replenish its working capital and improve the financial position of the Group for its future development and prospects. In addition, it will provide the Company with capital for new investment opportunities to broaden the revenue and profit potential of the Group and enhance the value of the Shareholders in long term. Details of which are set out in the announcements of the Company dated 26 July 2023, 19 October 2023 and 30 October 2023, and the circular of the Company dated 28 September 2023. The net proceeds of the Subscription (the “**Net Proceeds**”) amounted to approximately HK\$36,558,000, representing a net subscription price of approximately HK\$0.066 per subscription share, and were intended to be used as follows: (i) approximately HK\$26,558,000 would be used for the general working capital of the Group, which includes approximately HK\$10,000,000 for finance costs such as interest expenses on bank and other borrowings and approximately HK\$16,558,000 for administrative expenses such as staff costs, legal and professional fees and other expenses incurred in support of the operating activities, subject to actual business needs; and (ii) approximately HK\$10,000,000 was reallocated from the potential investment opportunities in high-tech industries as identified by the Group from time to time to fund the Group’s development of AI robotics technology, details of which are set out in the announcement of the Company dated 28 February 2025. As of 31 December 2025, the remaining amount of the Net Proceeds is HK\$2,205,000. It was estimated that the Net Proceeds would be fully utilized in accordance with its intended purposes by 28 February 2026.

## MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth a summary of the utilization of the Net Proceeds as of 31 December 2025:

Purposes	% of the Net Proceeds (Revised)	Amount available for utilization (Revised) (HK\$)	After revision/ unutilized amount as of 30 June 2025 (HK\$)	Utilized amount during the six months ended 31 December 2025 (HK\$)	Unutilized amount as of 31 December 2025 (HK\$)	Expected timeline for full utilization of the remaining Net Proceeds
<b>For working capital of the Group</b>						
For finance costs	27.35%	10,000,000	-	-	-	-
For administrative expenses	45.30%	16,558,000	-	-	-	-
<b>For the expenses to develop AI robotics technology by the Group</b>						
	27.35%	10,000,000	8,557,000	6,352,000	2,205,000	28 February 2026
<b>For potential investment opportunities in high-tech industries as identified by the Group</b>						
	0%	-	-	-	-	N/A
<b>Total</b>	<b>100%</b>	<b>36,558,000</b>	<b>8,557,000</b>	<b>6,352,000</b>	<b>2,205,000</b>	

## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2025, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered into the register to be kept by the Company pursuant to Section 352 of the SFO were as follows:

#### LONG POSITION IN THE SHARES OF THE COMPANY

Name of Director	Capacity and nature of interest	Number of issued shares held	Approximate percentage of the total number of issued shares
Mr. Wu Zhanming	Beneficial owner	279,935,000	9.16%
	Interest in a controlled corporation <sup>(1)</sup>	550,000,000	18.00%
		829,935,000	27.16%

Note:

- (1) As at 31 December 2025, Ruixing Investments Limited is wholly owned by Mr. Wu Zhanming, and therefore he is deemed to be interested in 550,000,000 shares directly held by Ruixing Investments Limited.



## **OTHER INFORMATION**

Save as disclosed above, as at 31 December 2025, none of the Directors nor chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or the Model Code (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered into the register to be kept by the Company pursuant to Section 352 of the SFO.

## **CHANGE TO INFORMATION IN RESPECT OF DIRECTORS**

There was no change in the Directors' information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the six months ended 31 December 2025.

## **CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES**

The Company did not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

## **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

As at 31 December 2025 or at any time during the six months ended 31 December 2025, none of the Company or any of its subsidiaries was a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any rights to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such rights.



**OTHER INFORMATION****SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY**

To the best knowledge of the Directors, as at 31 December 2025, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

***LONG POSITION IN THE SHARES OF THE COMPANY***

<b>Name of shareholders</b>	<b>Capacity and nature of interest</b>	<b>Number of issued shares held</b>	<b>Approximate percentage of the total number of issued shares</b>
Ruixing Investments Limited	Beneficial owner	550,000,000	18.00%
Ms. Li Fuyi	Beneficial owner	279,930,959	9.16%

Save as disclosed above, as at 31 December 2025, the Directors and chief executive of the Company were not aware of any other person (other than the Directors or chief executive of the Company) who had an interest or short position in any shares or underlying shares of the Company which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

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

During the six months ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). The Company did not hold any treasury shares as at 31 December 2025.



## OTHER INFORMATION

Other than the matters mentioned above, there has been no material change from the information published in the annual report for the year ended 30 June 2025.

## CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance practices at all times. The Board believes that good corporate governance helps the Company to safeguard the interests of the Shareholders and to enhance the performance of the Group. The Company has adopted the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the “**CG Code**”) as its own code of corporate governance.

The Company complied with all the applicable code provisions (the “**Code Provision(s)**”) of the CG Code throughout the six months ended 31 December 2025, save for Code Provision C.2.1 of the CG Code. Details of the deviation with reason are set out below:

Under Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. During the six months ended 31 December 2025, Mr. Wu Zhanming was the chairman of the Board (the “**Chairman**”) and acting chief executive officer of the Company (the “**CEO**”). The Board believes that the holding of both positions of the Chairman and CEO by the same individual will not impair the balance of power and authority between the Board and the management of the Group because the balance of power and authority is governed by the operations of the Board which comprises experienced and high caliber individuals with demonstrated integrity. The Board will review the current structure from time to time and shall make necessary changes when appropriate and inform the Shareholders accordingly.

## AUDIT COMMITTEE

The unaudited condensed consolidated financial statements of the Company for the six months ended 31 December 2025 and this interim report have been reviewed by the audit committee of the Company (the “**Audit Committee**”) and have been duly approved by the Board under the recommendation of the Audit Committee.



**OTHER INFORMATION**

**MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries with the Directors, all Directors have confirmed that they had complied with the required standards as set out in the Model Code during the six months ended 31 December 2025.

By order of the Board  
**Novatek Technologies Group Limited**  
**Wu Zhanming**  
*Chairman, Acting CEO and Executive Director*

Hong Kong, 27 February 2026

\* *For identification purposes only*