



WONG'S KONG KING INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0532)



INTERIM REPORT 2025

INTERIM REPORT

The Board of Directors of Wong's Kong King International (Holdings) Limited (the "Company") announces that the unaudited interim condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2025 together with comparative figures for the corresponding period in 2024 are as follows:

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Six months ended 30 June	
		2025	2024
	Note	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Revenue	7	1,817,904	1,673,274
Other gains, net	8	8,242	4,655
Raw materials and consumables used		(832,912)	(849,844)
Purchases of finished goods		(505,396)	(317,011)
Changes in inventories of finished goods and work in progress		(63,866)	(142,009)
Employee benefit expenses		(280,359)	(302,990)
Depreciation and amortisation		(30,694)	(32,077)
Net (provision for)/write-back of impairment loss on financial assets		(228)	310
Other expenses	9	(99,908)	(98,470)
Operating profit/(loss)	10	12,783	(64,162)
Finance income	11	2,821	3,604
Finance costs	11	(14,671)	(18,908)
Finance costs, net	11	(11,850)	(15,304)
Share of profit of joint ventures		11,795	8,605
Profit/(loss) before income tax		12,728	(70,861)
Income tax expense	12	(16,139)	(10,774)
Loss for the period	6	(3,411)	(81,635)
Attributable to:			
Owners of the Company		(11,042)	(84,090)
Non-controlling interests		7,631	2,455
		(3,411)	(81,635)
Loss per share for loss attributable to the owners of the Company during the period (expressed in HK cents per share)			
– basic	13	(1.51)	(11.52)
– diluted	13	(1.51)	(11.52)

The above interim condensed consolidated income statement should be read in conjunction with the accompanying notes.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Loss for the period	(3,411)	(81,635)
Other comprehensive (loss)/income:		
<i>Item that will not be reclassified</i>		
<i>subsequently to profit or loss</i>		
Fair value (losses)/gains on equity investments at fair value through other comprehensive income, net of tax	(34,522)	22,524
<i>Item that may be reclassified subsequently to profit or loss</i>		
Currency translation differences	34,646	(19,359)
Total comprehensive loss for the period	(3,287)	(78,470)
Attributable to:		
Owners of the Company	(19,068)	(76,601)
Non-controlling interests	15,781	(1,869)
	(3,287)	(78,470)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2025

	Note	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	392,172	399,217
Right-of-use assets	15	70,649	79,186
Deposits and prepayments		17,503	15,681
Intangible assets		626	747
Interests in joint ventures		47,613	35,818
Deferred tax assets		33,993	33,244
Financial assets at fair value through other comprehensive income	16	36,877	70,665
Financial assets at fair value through profit or loss		811	650
Club membership and debentures		13,322	13,122
Total non-current assets		613,566	648,330
Current assets			
Inventories		668,033	624,358
Trade and other receivables	18	1,175,177	1,058,228
Deposits and prepayments		52,196	46,005
Tax recoverable		1,936	2,212
Derivative financial instruments		262	–
Short-term bank deposits		95,737	59,075
Cash and cash equivalents		534,877	467,438
Total current assets		2,528,218	2,257,316
Total assets		3,141,784	2,905,646
LIABILITIES			
Non-current liabilities			
Lease liabilities	15	48,181	54,180
Provision for assets retirement obligations		1,710	1,710
Deferred tax liabilities		5,473	5,275
Employee benefit obligations		2,839	3,006
Total non-current liabilities		58,203	64,171

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

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INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED) AS AT 30 JUNE 2025

	Note	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Current liabilities			
Trade and other payables	19	772,201	670,464
Contract liabilities	20	123,754	89,884
Current income tax liabilities		17,208	8,386
Bank borrowings	23	681,103	567,920
Lease liabilities	15	17,488	16,912
Derivative financial instruments		–	826
Total current liabilities		1,611,754	1,354,392
Total liabilities		1,669,957	1,418,563
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	21	72,990	72,990
Reserves		1,312,276	1,331,344
		1,385,266	1,404,334
Non-controlling interests		86,561	82,749
Total equity		1,471,827	1,487,083
Total equity and liabilities		3,141,784	2,905,646

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

The interim condensed consolidated financial information on page 1 to 35 was approved by the Board of Directors on 29 August 2025 and were signed on its behalf.

Wong Senta
Director

Wong Ava
Director

INTERIM REPORT

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Unaudited)												
	Attributable to owners of the Company										Non-controlling interests	Total equity
	Share capital	Share premium	Capital redemption reserve	Contributed surplus	Special reserve	Financial assets at fair value through other comprehensive income	Translation reserve	Share option reserve	Capital reserve	Retained earnings	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 31 December 2024 and 1 January 2025	72,980	71,341	1,610	26,624	13,400	35,150	(59,880)	4,578	(663)	1,238,194	1,494,334	82,749
Comprehensive (loss)/income												
(Loss)/profit for the period	-	-	-	-	-	-	-	-	-	(11,042)	(11,042)	7,631
Other comprehensive (loss)/income												
Fair value (losses)/gains on equity investments at fair value through other comprehensive income, net of tax	-	-	-	-	-	(34,678)	-	-	-	(34,678)	156	(34,522)
Currency translation differences	-	-	-	-	-	-	26,652	-	-	-	26,652	7,394
Total comprehensive (loss)/income for the period ended 30 June 2025	-	-	-	-	-	(34,678)	26,652	-	-	(11,042)	(19,068)	15,781
Transactions with owners												
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(11,969)	(11,969)
Lapsed of share options	-	-	-	-	-	-	-	(757)	-	757	-	-
Balance at 30 June 2025	72,980	71,341	1,610	26,624	13,400	472	(33,228)	3,821	(663)	1,228,909	1,385,266	86,561

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Unaudited)												
	Attributable to owners of the Company										Non-controlling interests	Total equity
	Share capital	Share premium	Capital redemption reserve	Contributed surplus	Special reserve	Financial assets at fair value through other comprehensive income revaluation reserve	Translation reserve	Share option reserve	Capital reserve	Retained earnings	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 31 December 2023 and 1 January 2024	72,990	71,341	1,610	26,624	13,438	(4,815)	(36,534)	6,380	(663)	1,426,478	1,576,849	96,202
Comprehensive (loss)/income												
(Loss)/profit for the period	-	-	-	-	-	-	-	-	-	(84,090)	(84,090)	2,455
Other comprehensive (loss)/income												
Fair value gains on equity investments at fair value through other comprehensive income, net of tax	-	-	-	-	-	22,353	-	-	-	-	22,353	171
Currency translation differences	-	-	-	-	-	-	(14,864)	-	-	-	(14,864)	(4,495)
Total comprehensive (loss)/income for the period ended 30 June 2024	-	-	-	-	-	22,353	(14,864)	-	-	(84,090)	(76,601)	(1,869)
Transactions with owners												
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(20,825)
Transfer from retained earnings to special reserve	-	-	-	-	(38)	-	-	-	-	38	-	-
Lapsed of share options	-	-	-	-	-	-	-	(41)	-	41	-	-
Balance at 30 June 2024	72,990	71,341	1,610	26,624	13,400	17,538	(51,398)	6,339	(663)	1,342,467	1,500,248	73,508

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Six months ended 30 June 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
	Note		
Cash flows from operating activities			
Cash from/(used in) operations		3,685	(7,956)
Income tax paid		(7,712)	(9,801)
Net cash used in operating activities		(4,027)	(17,757)
Cash flows from investing activities			
Interest received		2,821	3,604
Dividend income from a joint venture		–	6,276
Purchase of property, plant and equipment	14	(4,119)	(5,364)
Proceeds from disposal of property, plant and equipment		36	937
(Increase)/decrease in long-term deposits		(1,650)	170
Increase in short-term bank deposits		(36,662)	(14,374)
Net cash used in investing activities		(39,574)	(8,751)
Cash flows from financing activities			
Interest paid		(12,939)	(17,800)
Proceeds from new bank borrowings	23	1,587,409	1,311,975
Repayment of bank borrowings	23	(1,474,226)	(1,102,115)
Principal element of lease rentals paid		(7,219)	(10,240)
Interest element of lease rentals paid		(1,732)	(1,108)
Net cash from financing activities		91,293	180,712
Net increase in cash and cash equivalents		47,692	154,204
Cash and cash equivalents at beginning of the period		467,438	487,238
Effect of foreign exchange rate changes		19,747	(20,201)
Cash and cash equivalents at end of the period		534,877	621,241
Analysis of cash and cash equivalents:			
Bank balances and cash		534,877	621,241

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2025

1. GENERAL INFORMATION

Wong's Kong King International (Holdings) Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in the trading and distribution of chemicals, materials and equipment used in the manufacture of printed circuit boards and electronic products and the manufacture of electrical and electronic products for original equipment manufacturer ("OEM") customers.

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11 Bermuda and its principal place of business is 17/F, Harbourside HQ, No.8 Lam Chak Street, Kowloon Bay, Hong Kong.

The unaudited interim condensed consolidated interim financial information is presented in Hong Kong dollars ("HK\$"), unless otherwise stated.

2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards.

3. PRINCIPAL ACCOUNTING POLICIES

The unaudited interim condensed consolidated financial information has been prepared in consistent with those principal accounting policies followed in the Annual Report 2024 except the adoption of the following new/revised HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants which are effective for accounting periods commencing on or after 1 January 2025.

(a) Amended standard adopted by the Group

The following new amendments to standard were required to be adopted by the Group effective from 1 January 2025:

Amendments to HKAS 21 and Lack of Exchangeability
HKFRS 1

The amended standards listed above did not have any impact on the amounts recognised in prior periods and current period.

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3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(b) New and amended standards and interpretations issued not yet adopted

Certain new and amended standards and interpretations issued have been published that are not mandatory for financial period beginning 1 January 2025 and have not been early adopted by the Group.

		Effective for annual periods beginning on or after
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Amendments to Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRS 18 and Hong Kong Interpretation 5	Presentation and Disclosure in Financial Statements Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has commenced an assessment of the impact of these new and amended standards and interpretations issued but is not yet in a position to state whether they would have significant impacts on its results of operations and financial position.

4. ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual financial statements as at 31 December 2024.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value and cash flow interest risk), credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2024.

There have been no changes in the risk management policies since 31 December 2024.

(b) Fair value estimation

The carrying value of all financial assets less impairment provision are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair value estimation (Continued)

The financial instruments measured at fair value are disclosed by the following measurement hierarchy:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- (ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- (iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

At the end of the reporting period, listed investment classified as financial assets at fair value through profit or loss, derivative financial instruments and unlisted investment classified as financial assets at fair value through other comprehensive income that are measured at fair value are classified under level 1, level 2 and level 3 respectively.

There were no transfers between levels 1, 2 and 3 during the period.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair value estimation (Continued)

(i) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(ii) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

All the resulting fair value estimates of the Group's forward foreign currency contracts are included in level 2.

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5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair value estimation (Continued)

(iii) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

All the resulting fair value estimates of the Group's unlisted investment are included in level 3.

There were no other changes in valuation techniques during the period.

6. SEGMENT INFORMATION

The Chief Operation Decision-Maker ("CODM") has been identified as directors of the Company. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. It determined the operating segments based on these reports. The Group is currently organised into two operating segments – Trading and Distribution and OEM Manufacturing. These segments are the basis on which the Group reports its principal activities information.

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6. SEGMENT INFORMATION (CONTINUED)

Trading and Distribution	– trading and distribution of chemicals, materials and equipment used in the manufacturing of printed circuit boards and electronic products
OEM Manufacturing	– manufacturing of electrical and electronic products

The segment information for the six months ended 30 June 2025 is as follows:

	Trading and Distribution HK\$'000	OEM Manufacturing HK\$'000	Others HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
Revenue					
External sales	926,171	876,119	15,614	–	1,817,904
Inter-segment sales	137,522	1,414	14,210	(153,146)	–
Total	1,063,693	877,533	29,824	(153,146)	1,817,904
Timing of revenue recognition					
At a point in time	1,043,680	877,533	29,695	(149,707)	1,801,201
Over time	20,013	–	129	(3,439)	16,703
	1,063,693	877,533	29,824	(153,146)	1,817,904
Results					
Segment results	68,009	(46,138)	(9,386)	298	12,783
Finance income	2,342	422	57	–	2,821
Finance costs	(1,288)	(12,750)	(633)	–	(14,671)
Segment operating profit/(loss)	69,063	(58,466)	(9,962)	298	933
Share of profit of joint ventures					11,795
Profit before income tax					12,728
Income tax expense					(16,139)
Loss for the period					(3,411)

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6. SEGMENT INFORMATION (CONTINUED)

The segment information for the six months ended 30 June 2024 is as follows:

	Trading and Distribution HK\$'000	OEM Manufacturing HK\$'000	Others HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
Revenue					
External sales	736,586	914,525	22,163	–	1,673,274
Inter-segment sales	109,844	1,359	15,857	(127,060)	–
Total	846,430	915,884	38,020	(127,060)	1,673,274
Timing of revenue recognition					
At a point in time	825,468	915,884	33,519	(123,192)	1,651,679
Over time	20,962	–	4,501	(3,868)	21,595
	846,430	915,884	38,020	(127,060)	1,673,274
Results					
Segment results	13,093	(67,967)	(9,688)	400	(64,162)
Finance income	2,843	490	271	–	3,604
Finance costs	(1,479)	(17,217)	(212)	–	(18,908)
Segment operating profit/(loss)	14,457	(84,694)	(9,629)	400	(79,466)
Share of profit of joint ventures					8,605
Loss before income tax					(70,861)
Income tax expense					(10,774)
Loss for the period					(81,635)

During the six months ended 30 June 2025, segment results include the raw materials and consumables used, purchases of finished goods, changes in inventories of finished goods and work in progress, employee benefit expenses and depreciation and amortisation incurred by those segments (2024: same).

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6. SEGMENT INFORMATION (CONTINUED)

The segment assets and liabilities as at 30 June 2025 are as follows:

	Trading and Distribution HK\$'000	OEM Manufacturing HK\$'000	Others HK\$'000	Consolidated HK\$'000
Assets				
Segment assets	1,462,869	1,523,915	155,000	3,141,784
Liabilities				
Segment liabilities	491,198	1,122,423	56,336	1,669,957

The segment assets and liabilities as at 31 December 2024 are as follows:

	Trading and Distribution HK\$'000	OEM Manufacturing HK\$'000	Others HK\$'000	Consolidated HK\$'000
Assets				
Segment assets	1,314,982	1,370,951	219,713	2,905,646
Liabilities				
Segment liabilities	417,762	920,966	79,835	1,418,563

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6. SEGMENT INFORMATION (CONTINUED)

An analysis of the Group's other segment information is as follows:

	Trading and Distribution HK\$'000	OEM Manufacturing HK\$'000	Others HK\$'000	Consolidated HK\$'000
For the period ended 30 June 2025				
Capital expenditure	3,691	45	383	4,119
Depreciation of property, plant and equipment	3,948	14,931	1,486	20,365
Depreciation of right-of-use assets	3,136	1,720	5,352	10,208
Amortisation of intangible assets	76	–	45	121
For the period ended 30 June 2024				
Capital expenditure	1,414	1,594	2,356	5,364
Depreciation of property, plant and equipment	4,171	15,721	1,470	21,362
Depreciation of right-of-use assets	3,409	1,058	6,079	10,546
Amortisation of intangible assets	124	–	45	169

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6. SEGMENT INFORMATION (CONTINUED)

Analysis of the Group's revenue by geographical market is as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Hong Kong, Mainland China and Taiwan	961,312	856,481
Europe	445,094	480,668
North America	244,174	209,609
Others	167,324	126,516
	1,817,904	1,673,274

Analysis of the Group's non-current assets other than intangible assets, interests in joint ventures, deferred tax assets, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, based on the location of the assets, is as follows:

	30 June 2025	31 December 2024
	HK\$'000	HK\$'000
Hong Kong, Mainland China and Taiwan	422,249	431,469
Others	71,397	75,737
	493,646	507,206

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7. REVENUE

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Sales of goods	1,795,329	1,640,944
Commission income	4,343	9,723
Service fee income	16,703	21,595
Ticketing and touring income	565	366
Others	964	646
	1,817,904	1,673,274

8. OTHER GAINS, NET

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Government subsidies (Note)	967	152
Fair value gains/(losses) on investments at financial assets at fair value through profit or loss	68	(104)
Tooling income	7,207	4,607
	8,242	4,655

Note: It represents subsidies mainly received from certain People's Republic of China (the "PRC") local government authorities (2024: same). There are no unfulfilled conditions or other contingencies attaching to these grants.

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9. OTHER EXPENSES

Other expenses are stated after charging/(crediting) the following:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Auditors' remuneration	1,821	2,152
Bank charges	1,966	2,084
Charitable donations	303	265
Consumables	6,113	9,940
Expenses relating to short-term leases	1,485	1,303
Expenses relating to leases of low-value assets that are not shown above as short-term leases	18	12
Electricity, water and other utility	11,305	13,416
Freight and insurance	13,911	12,363
Losses/(gains) on disposal of property, plant and equipment	171	(444)
Marketing expenses	1,084	1,529
Net foreign exchange losses/(gains)	9,209	(2,797)
Office and factories expenses	6,790	7,980
Postage, telephone and fax	2,197	2,459
Professional service fees	6,495	6,375
Repairs and maintenance	5,021	7,636
Storage	460	813
Transportation and travelling expenses	9,354	11,808
Tax and surcharges	5,328	6,735
Others (Note)	16,877	14,841
	99,908	98,470

Note: Others included research and development expenses, motor vehicle expenses, fuel costs, miscellaneous expenses etc.

INTERIM REPORT

10. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging/(crediting) the following:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Provision for/(reversal of provision for) obsolescence of inventories	771	(435)
Net fair value losses on derivative financial instruments	115	263

11. FINANCE COSTS, NET

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Interest income on:		
– bank deposits	2,819	3,599
– others	2	5
	2,821	3,604
Interest expense on:		
– bank borrowings	(12,939)	(17,800)
– lease liabilities	(1,732)	(1,108)
	(14,671)	(18,908)
Finance costs, net	(11,850)	(15,304)

INTERIM REPORT

12. INCOME TAX EXPENSE

Hong Kong profits tax has not been provided for at 16.5% on the estimated assessable profit for the period as the Group has sufficient tax losses carried forward to set off against the estimated assessable profit (2024: Hong Kong profits tax had not been provided for as the Group had no estimated assessable profit for the period). The subsidiaries established in the PRC are subject to corporate income tax rate of 25% (2024: 25%). The subsidiaries in Taiwan are subject to corporate income tax rate of 20% (2024: 20%). Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
– Hong Kong profits tax	–	–
– PRC corporate income tax	5,208	3,429
– Taiwan corporate income tax	7,082	2,242
– Other jurisdictions	780	3,582
	13,070	9,253
Over provision in prior years		
– Hong Kong	(3)	–
	(3)	–
Deferred income tax	–	–
Withholding tax on dividends declared by subsidiaries	3,072	1,521
	16,139	10,774

INTERIM REPORT

13. LOSS PER SHARE

(a) Basic

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

	Six months ended 30 June	
	2025	2024
Loss attributable to owners of the Company (Hong Kong thousands dollar)	(11,042)	(84,090)
Weighted average number of ordinary shares in issue (thousands)	729,898	729,898
Basic loss per share (Hong Kong cents per share)	(1.51)	(11.52)

(b) Diluted

Diluted loss per share was the same as the basic loss per share for the period ended 30 June 2025, as the share options of the Company had an anti-dilutive effect on the basic loss per share and was ignored in the calculation of diluted loss per share (2024: same).

14. PROPERTY, PLANT AND EQUIPMENT

During the period ended 30 June 2025, the Group acquired property, plant and equipment of HK\$4,119,000 (Period ended 30 June 2024: HK\$5,364,000).

During the period ended 30 June 2025, the Group disposed property, plant and equipment with a carrying amount of HK\$207,000 (Period ended 30 June 2024: HK\$493,000).

15. LEASES

During the period ended 30 June 2025, the Group entered into new lease agreements for buildings for 2 to 3 years. The Group makes fixed payments during the contract period. On lease commencement, the Group recognised an addition of right-of-use assets amounting to HK\$1,200,000 (Period ended 30 June 2024: HK\$662,000).

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

- (a) Financial assets at fair value through other comprehensive income include the following:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Financial instruments level 3:		
Investments in unlisted equity securities	36,877	70,665

- (b) Movement of financial assets at fair value through other comprehensive income is analysed as follows:

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
At beginning of period	70,665	31,050
Net fair value (losses)/gains on financial assets at fair value through other comprehensive income	(34,403)	22,655
Exchange gains/(losses)	615	(284)
At end of the period	36,877	53,421

INTERIM REPORT

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

(c) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

	Fair value at 30 June 2025 HK\$'000	Note	Unobservable inputs*	Range of inputs	Relationship of unobservable inputs to fair value
Unlisted equity securities denominated in HK\$	31,000	1	Enterprise multiples	6.94	A change in the enterprise multiples by +10% would increase the fair value by HK\$8,300,000 A change in the enterprise multiples by -10% would decrease the fair value by HK\$8,500,000
			Discount for lack of marketability	15.6%	A change in the discount for lack of marketability by +1,000 basis points would decrease the fair value by HK\$2,900,000 A change in the discount for lack of marketability by -1,000 basis points would increase the fair value by HK\$2,700,000
Unlisted equity securities denominated in New Taiwan dollars ("NTD")	5,877		Discount for lack of marketability	30% to 80%	A change in the discount for lack of marketability by +/- 1,000 basis points would decrease/increase the fair value by HK\$1,056,000
	<u>36,877</u>				

Note 1: Enterprise multiples = enterprise value/earnings before interest, tax, depreciation and amortisation

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

INTERIM REPORT

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

(d) **Valuation process used for fair value measurements categorised within level 3 of the fair value hierarchy**

The Group engages external, independent and qualified valuers to determine the fair value of the Group's unlisted equity securities at least once every six months. As at 30 June 2025, the fair values of the unlisted equity securities have been determined by Ravia Global Appraisal Advisory Limited mainly.

17. DIVIDENDS

The Board of Directors resolved not to recommend any interim dividend for the six months ended 30 June 2025 (2024: HK\$ nil).

18. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are accounts and bills receivables of HK\$1,095,931,000 (At 31 December 2024: HK\$1,031,862,000).

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Accounts and bills receivables-third parties	1,112,980	1,057,761
Less: loss allowance	(17,049)	(25,899)
	1,095,931	1,031,862
Other receivables	79,246	26,366
Total trade and other receivables	1,175,177	1,058,228

The Group allows a credit period ranging from 30 days to 180 days to its trade customers. In addition, for certain customers with long-established relationship, a longer credit period may be granted.

INTERIM REPORT

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

The ageing analysis of accounts and bills receivables based on invoices dates net of loss allowance at the end of reporting period is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
0 to 30 days	684,433	344,246
31 to 60 days	91,184	196,811
61 to 90 days	97,271	183,742
Over 90 days	223,043	307,063
	1,095,931	1,031,862

The closing loss allowances for trade receivables as at 30 June 2025 reconcile to the opening loss allowances as follows:

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
At 1 January	25,899	30,402
Provision for/(reversal of) impairment losses	228	(427)
Receivables written off	(9,078)	(1,279)
At 30 June	17,049	28,696

INTERIM REPORT

19. TRADE AND OTHER PAYABLES

Included in trade and other payables are accounts and bills payables of HK\$604,598,000 (At 31 December 2024: HK\$524,909,000).

The following is an ageing analysis of accounts and bills payables based on goods receipt dates at the end of reporting period:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
0 to 30 days	279,350	230,549
31 to 60 days	146,486	121,362
61 to 90 days	75,187	81,808
Over 90 days	103,575	91,190
	604,598	524,909

20. CONTRACT LIABILITIES

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Contract liabilities relating to sales of goods and provision of service	123,754	89,884

The revenue recognised in the current reporting period relates to carried-forward contract liabilities at the beginning of the period amounted to HK\$59,695,000 (Period ended 30 June 2024: HK\$32,051,000).

INTERIM REPORT

21. SHARE CAPITAL

Ordinary shares, issued and fully paid:

	2025		2024	
	Number of shares	Nominal value HK\$'000	Number of shares	Nominal value HK\$'000
Ordinary shares of HK\$0.10 each				
Authorised:				
At 1 January and 30 June	1,000,000,000	100,000	1,000,000,000	100,000
		Number of ordinary shares of HK\$0.10 each		Share capital HK\$'000
Issued and fully paid:				
At 31 December 2024, 1 January 2025 and 30 June 2025		729,897,964		72,990

22. SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a resolution passed on 22 June 2016 for the primary purpose of providing incentives to directors and eligible employees and will expire on 21 June 2026 (the "Scheme"). Under the Scheme, the Board of Directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

22. SHARE OPTION SCHEME (CONTINUED)

At 30 June 2025, the number of shares in respect of which options granted and remained outstanding under the Scheme was 37,100,000 shares. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the total number of shares in issue as at the date of adoption of the Scheme, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in the 12-month period up to and including the date of such new grant is not permitted to exceed 1% of the shares of the Company in issue as at the date of such new grant, without prior approval from the Company's shareholders. Any grant of options to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive directors (excluding any independent non-executive director who is a grantee of the relevant options). Options granted to substantial shareholders or independent non-executive directors or any of their respective associates in excess of 0.1% of the Company's share capital and with a value in excess of HK\$5,000,000, in any 12-month period, must be approved by the Company's shareholders at a general meeting.

Options may be exercised after one year from the grant date but must be remained in employment with the Group, and options will vest (i) as to 25% (rounded down to the nearest whole underlying share) on the first anniversary of its date of grant, and (ii) as to the remainder on the second anniversary of its grant date. The exercise price is determined by the Board of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average of the closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

INTERIM REPORT

22. SHARE OPTION SCHEME (CONTINUED)

Set out below are summaries of options granted under the Scheme:

	Exercise price HK\$	Number of share options
As at 1 January 2024	0.906	61,950,000
Lapse		(17,500,000)
As at 31 December 2024 and 1 January 2025		44,450,000
Lapse		(7,350,000)
As at 30 June 2025		37,100,000
Vested and exercisable	0.906	37,100,000

The share options can be exercisable up to a maximum of 25% of the grant during the period from 14 June 2020 to 13 June 2021 and the remainder of grant during the period from 14 June 2021 to 13 June 2029.

No options expired during the periods covered by the above table.

The closing price of the Company's shares on 14 June 2019, the date of grant, was HK\$0.88. The fair value of the options determined at the date of grant using the Black-Scholes option-pricing model was approximately HK\$7,379,000. No share-based payment expense was charged to the interim condensed consolidated income statement for the six months ended 30 June 2025 (2024: HK\$ nil).

22. SHARE OPTION SCHEME (CONTINUED)

The following assumptions were used to calculate the fair value of the share options granted:

Grant date fair value per share	HK\$0.10
Expected life	6 years
Expected volatility	31.93%
Dividend yield	7.39%
Risk-free interest rate	1.44%

Expected volatility is estimated taking into account historical average share price volatility. The Black-Scholes option-pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the Directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

23. BANK BORROWINGS

	HK\$'000
Six months ended 30 June 2024:	
Opening amount at 1 January 2024	607,849
Proceeds from new bank borrowings	1,311,975
Repayment of bank borrowings	(1,102,115)
Closing amount at 30 June 2024	817,709
Six months ended 30 June 2025:	
Opening amount at 1 January 2025	567,920
Proceeds from new bank borrowings	1,587,409
Repayment of bank borrowings	(1,474,226)
Closing amount at 30 June 2025	681,103

INTERIM REPORT

24. CAPITAL COMMITMENTS

No capital commitments as at 30 June 2025 and 31 December 2024.

25. RELATED PARTY TRANSACTIONS

Related parties refer to entities in which the Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or directors or officers of the Company and its subsidiaries.

The Group is ultimately controlled by Mr. Wong Senta, chairman of the board of directors.

- (a) During the period, the Group entered the following transactions with its related parties:

	For the six months ended 30 June		Amount due from related parties	
	2025	2024	30 June 2025	31 December 2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Ticketing and Touring income (Notes i and iv)	–	181	–	106
Ticketing and Touring income (Notes ii and iv)	38	343	29	–
Service fee income (Notes iii and iv)	147	147	–	–
Rental expense (Notes i and iv)	249	498	–	–

25. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) During the period, the Group entered the following transactions with its related parties: (Continued)

Notes:

- (i) Related parties were companies of which Mr. Wong Senta is a director having control or significant influence over these companies (2024: same).
- (ii) Related parties were Mr. Wong Senta and Ms. Wong Orangeo Wendy (2024: Mr. Chang Jui Shum Victor, Mr. Ho Shu Chan Byron and a close family member of Mr. Wong Senta).
- (iii) Related party is WESI Technology Limited, a joint venture of the Group (2024: same).
- (iv) All the transactions were carried out in the normal course of the Group's business and the terms as agreed between the transacting parties (2024: same).

(b) Key management remuneration

The remuneration of key management during the period was as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Salaries, wages, commission and allowances	18,834	28,388
Post-employment benefits	579	1,097
	19,413	29,485

MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

The Board of Directors resolved not to recommend any interim dividend for the six months ended 30 June 2025 (2024: HK\$ nil).

BUSINESS REVIEW

The Group's turnover for the first half of 2025 amounted to HK\$1.8 billion, representing an increase of approximately 8.6% compared to the corresponding period last year. For the first half of 2025, the Group recorded a net loss attributable to owners of the Company of HK\$11.0 million, a significant improvement from the net loss attributable to owners of the Company of HK\$84.1 million in the same period last year. This positive outcome was primarily driven by the strong performance of the Trading and Distribution Division, strategic response to persistent geopolitical headwinds and the prevailing volatility in the global economic landscape within the OEM Manufacturing Division, as well as a reduction in net financing costs attributable to lower interest expenses on bank borrowings amid an overall decrease in interest rates.

The turnover of the Group's Trading and Distribution Division for the first half of 2025 was HK\$0.9 billion, representing an increase of approximately 25.7% compared to the same period last year. This was mainly due to increased demand for products distributed by the Trading and Distribution Division's subsidiaries in both Taiwan and the PRC, as the customers sought to expand inventory levels and increase capital expenditure. As a result, the Trading and Distribution Division achieved an operating profit of HK\$69.1 million as compared to an operating profit of HK\$14.5 million for the corresponding period last year.

MANAGEMENT DISCUSSION AND ANALYSIS

The turnover of the Group's OEM Manufacturing Division slightly decreased by approximately 4.2% to HK\$0.88 billion for the first half of 2025 compared to the same period last year. The OEM Manufacturing Division's operating loss was reduced to HK\$58.5 million for the first half of 2025 as compared to an operating loss of HK\$84.7 million for the corresponding period last year. This was primarily attributable to persistent geopolitical headwinds and continued volatility in the global economic landscape, which collectively impacted market sentiment and demand across key regions. The reduction in operating loss was largely driven by the effective implementation of its operational cost reduction plan and ongoing initiatives to enhance operational efficiency.

FINANCE

The Group has committed bank and other financing facilities totaling HK\$2,580 million, of which HK\$775 million was drawn down on 30 June 2025. As at 30 June 2025, the Group's consolidated net borrowings amounted to HK\$116 million and its total equity amounted to HK\$1,472 million, resulting in a net gearing ratio of 7.9%. The net gearing ratio was calculated as net debt divided by total equity. Net debt is calculated as total bank borrowings and lease liabilities less cash and cash equivalents and short-term bank deposits.

Most of the Group's sales were conducted in the same currencies as the corresponding purchase transactions. Foreign exchange contracts were used to hedge exposures where necessary.

CAPITAL STRUCTURE

The Group's capital structure consists of bank borrowings, cash and cash equivalents, short-term bank deposits and equity attributable to owners of the Company, comprising issued share capital and reserves.

MANAGEMENT DISCUSSION AND ANALYSIS

HUMAN RESOURCES

As of 30 June 2025, the Group had a total of 3,428 employees, of whom 175 were based in Hong Kong, 2,446 in the PRC and 807 overseas. The remuneration of the Group's employees is mainly based on their performance and experience, taking into account current industry practices. Provident fund scheme, medical allowances, and in-house and external training programs are available to employees. Share options and discretionary bonuses may be provided to employees according to the performance of the individual and the Group. The remuneration policy and package of the Group's employees are regularly reviewed.

PROSPECTS

Despite the uncertain economic outlook shaped by ongoing global geopolitical tensions and evolving monetary policies, demand for products distributed by the Trading and Distribution Division is expected to remain largely stable throughout the second half of 2025. This outlook is based on current business inquiries and planned dispatch timelines associated with customer orders driven, which are driven by production capacity expansion initiatives.

The OEM Manufacturing Division anticipates a moderate increase in turnover during the second half of 2025, compared to the first half of the year. This growth is underpinned by the continued scaling of production at the OEM Manufacturing Division's manufacturing facility in Mexico, which is progressing toward higher operational efficiency. This anticipated increase in throughput is expected to improve fixed cost absorption and enhance overall cost effectiveness. Furthermore, the OEM Manufacturing Division remains focused on executing cost reduction measures aimed at boosting labor productivity and minimizing indirect overhead expenses.

Looking ahead, the Group will continue to uphold its long-term sustainable strategy by reinforcing strategic resilience and maintaining close alignment with evolving customer needs. Building on previous initiatives, the Group is committed to further reducing overall operational costs through active streamlining of underperforming business units and optimizing internal resources to maximize efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS

Management will remain vigilant in monitoring market conditions and will make timely, data-driven adjustments to its business strategies as necessary, ensuring the Group remains agile and well-positioned to navigate ongoing macroeconomic challenges.

On behalf of the Board, I wish to thank all employees for their loyalty, support and hard work, partners, and shareholders for their continued support and trust throughout this period.

By Order of the Board
Wong's Kong King International (Holdings) Limited
Wong Ava
Deputy Chairman & Chief Executive Officer

Hong Kong, 29 August 2025

As at the date of this report, the executive directors of the Company are Mr. Wong Senta, Ms. Wong Ava, Ms. Wong Orangeo Wendy and Mr. Chang Jui Shum Victor; the independent non-executive directors are Mr. Tse Wan Chung Philip, Dr. Leung Kam Fong, Dr. Yip Wai Chun and Mr. Lam Yiu Wing Andrew.

DISCLOSURE OF INTERESTS

INTERESTS OF DIRECTORS

As at 30 June 2025, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions in the shares of the Company

Name	Personal Interests	Family Interests	Corporate Interests	Other Interests	Total Interests	Total Interests as % of the issued share capital	Share Options	Total Interests (including underlying shares) as % of the share capital
						%		%
Wong Senta	9,120,000	-	122,012,723 (Note 1)	207,800,000 (Note 2)	338,932,723	46.44	5,000,000	47.12
Wong Ava	154,000	3,000,000	32,454,028 (Note 3)	207,800,000 (Note 4)	243,408,028	33.35	150,000	33.37
Wong Orangeo Wendy	376,000	-	32,454,028 (Note 5)	207,800,000 (Note 6)	240,630,028	32.97	150,000	32.99
Chang Jui Shum Victor	-	304,000	32,454,028 (Note 7)	207,800,000 (Note 8)	240,558,028	32.96	3,000,000	33.37
Tse Wan Chung Philip	-	-	-	-	-	-	3,000,000	0.41
Leung Kam Fong	-	-	-	180,000 (Note 9)	180,000	0.02	3,000,000	0.44
Yip Wai Chun	-	-	-	-	-	-	3,000,000	0.41
Tse Hin Lin Arnold (resigned on 19 March 2025)	-	-	-	-	-	-	3,000,000	0.41
Lam Yiu Wing Andrew	-	-	-	-	-	-	3,000,000	0.41

DISCLOSURE OF INTERESTS

Notes:

1. 122,012,723 shares were registered in the name of Wonder Luck International Limited, which was wholly owned by Senta Wong (BVI) Limited. The entire issued share capital of which was 50.25% owned by Mr. Wong Senta and 49.75% owned by his late wife, Mrs. Wong Wu Lai Ming, Lily. The references to 122,012,723 shares deemed to be interested by Mr. Wong Senta (as disclosed herein) and Senta Wong (BVI) Limited (as disclosed in the section headed “Interests of substantial shareholders”) relate to the same block of shares.
2. 207,800,000 shares were registered in the name of Rewarding Limited, which was wholly owned by Greatfamily Inc. (which was in turn wholly owned by Greatguy (PTC) Inc.) for a discretionary trust, of which Mr. Wong Senta was regarded as the founder (by virtue of the SFO). The references to 207,800,000 shares deemed to be interested by Mr. Wong Senta (as disclosed herein), Ms. Wong Ava, Ms. Wong Orangeo Wendy and Mr. Chang Jui Shum Victor (as disclosed in Notes 4, 6 and 8 below respectively), Greatfamily Inc. and Greatguy (PTC) Inc. (as disclosed in the section headed “Interests of substantial shareholders”) relate to the same block of shares.
3. 32,454,028 shares were held by Max Return Group Limited, of which Ms. Wong Ava owns 66.67% shares. The references to these 32,454,028 shares deemed to be interested by Ms. Wong Ava (as disclosed herein) and Ms. Wong Orangeo Wendy (as disclosed in Note 5 below) relate to the same block of shares.
4. Ms. Wong Ava was deemed (by virtue of the SFO) to be interested in 207,800,000 shares in the Company by virtue of her being a discretionary beneficiary of a discretionary trust.
5. 32,454,028 shares were held by Max Return Group Limited, of which Ms. Wong Orangeo Wendy owns 33.33% shares.
6. Ms. Wong Orangeo Wendy was deemed (by virtue of the SFO) to be interested in 207,800,000 shares in the Company by virtue of her being a discretionary beneficiary of a discretionary trust.
7. Mr. Chang Jui Shum Victor was deemed (by virtue of the SFO) to be interested in 32,454,028 shares in the Company, which were held by Max Return Group Limited, of which his separated spouse, namely, Ms. Wong Ava owns 66.67%.

DISCLOSURE OF INTERESTS

8. Mr. Chang Jui Shum Victor was deemed (by virtue of the SFO) to be interested in 207,800,000 shares in the Company by virtue of his separated spouse being a discretionary beneficiary of a discretionary trust.
9. These 180,000 shares were jointly held by Dr. Leung Kam Fong and his spouse.

Certain Directors held qualifying shares in certain subsidiaries of the Group on trust for the Company or other subsidiaries of the Group.

Save as disclosed herein, as at 30 June 2025, none of the Directors or chief executive of the Company or his respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

DISCLOSURE OF INTERESTS

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

The Company has been notified that, as at 30 June 2025, the following persons (other than Directors or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

Long positions in the shares of the Company

Name of substantial shareholders	Capacity	Number of shares held	Percentage of total issued shares
Greatfamily Inc.	Interest of controlled corporation (Note 1)	207,800,000	28.47%
Greatguy (PTC) Inc.	Trustee (Note 1)	207,800,000	28.47%
Senta Wong (BVI) Limited	Interest of controlled corporation (Note 2)	122,012,723	16.72%
Cantrust (Far East) Limited	Trustee (Note 3)	51,003,881	6.99%
Wong Chung Yin	Beneficial owner, interest of child or spouse and interest of controlled corporations (Note 4)	42,715,701	5.85%

DISCLOSURE OF INTERESTS

Notes:

1. Please see Note 2 under the section headed “Interests of Directors”.
2. Please see Note 1 under the section headed “Interests of Directors”.
3. Cantrust (Far East) Limited (“Cantrust”) is the trustee of Coreview Trust and C Y Wong Trust. Cantrust through its direct and indirect ownerships in each of WLJ Holding Limited (“WLJ”), Kong King International Limited (“KKIL”), New Chung Yan Limited (“NCYL”), Aldalyn Limited (“AL”) and Blueford Limited (“BL”) holds a total of 51,003,881 shares in the Company. These shares were held in the following capacity:
 - (a) 24,813,332 shares were held by KKIL under a discretionary trust, of which Cantrust was the trustee. KKIL was wholly-owned by WLJ, which was in turn wholly-owned by Cantrust. Each of Cantrust, WLJ and KKIL was deemed to be interested in the same block of 24,813,332 shares of the Company.
 - (b) 13,095,274 shares and 13,095,275 shares were held by AL and BL respectively under a discretionary trust, of which Cantrust was the trustee. AL and BL were wholly-owned by NCYL, which was in turn wholly-owned by Cantrust. Each of Cantrust, NCYL, AL and BL was deemed to be interested in the same block of 26,190,549 shares in the Company.
4. Mr. Wong Chung Yin was deemed (by virtue of the SFO) to be interested in 42,715,701 shares in the Company. These shares were held in the following capacity:
 - (a) 25,613,332 shares were held by Mr. Wong Chung Yin personally.
 - (b) 450 shares were held under the name of Ms. Woo Sin Ming, the wife of Mr. Wong Chung Yin.
 - (c) 17,101,919 shares were jointly held by Mr. Wong Chung Yin and his wife, Ms. Woo Sin Ming.

Save as disclosed, the Directors are not aware of any other persons who, as at 30 June 2025, had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

DISCLOSURE OF INTERESTS

SHARE OPTION SCHEME

A share option scheme (the “Scheme”) has been adopted by the shareholders of the Company on 22 June 2016. During the six months ended 30 June 2025, no additional share options were granted under the Scheme.

Particulars of the share options granted under the Scheme and their movements during the six months ended 30 June 2025 were as follows:

Grantee	Date of grant	Exercise price (HK\$)	Exercise period	Number of share options					
				Balance as at 01.01.2025	Transfer to other category during the period	Transfer from other category during the period	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period
Category 1:									
(I) Directors									
Wong Senta	14.06.2019	0.906	14.06.2020-13.06.2029	5,000,000	-	-	-	-	5,000,000
Wong Ava	14.06.2019	0.906	14.06.2020-13.06.2029	150,000	-	-	-	-	150,000
Wong Orangeo Wendy	14.06.2019	0.906	14.06.2020-13.06.2029	150,000	-	-	-	-	150,000
Chang Jui Shum Victor	14.06.2019	0.906	14.06.2020-13.06.2029	3,000,000	-	-	-	-	3,000,000
Tse Wan Chung Philip	14.06.2019	0.906	14.06.2020-13.06.2029	3,000,000	-	-	-	-	3,000,000
Leung Kam Fong	14.06.2019	0.906	14.06.2020-13.06.2029	3,000,000	-	-	-	-	3,000,000
Yip Wai Chun	14.06.2019	0.906	14.06.2020-13.06.2029	3,000,000	-	-	-	-	3,000,000
Tse Hin Lin Arnold (resigned on 19 March 2025)	14.06.2019	0.906	14.06.2020-13.06.2029	3,000,000	-	-	-	-	(3,000,000)
Lam Yiu Wing Andrew	14.06.2019	0.906	14.06.2020-13.06.2029	3,000,000	-	-	-	-	3,000,000
Total for directors				23,300,000	-	-	-	(3,000,000)	20,300,000
Category 2:									
(II) Other employees	14.06.2019	0.906	14.06.2020-13.06.2029	21,150,000	-	-	-	(4,350,000)	16,800,000
Total				44,450,000	-	-	-	(7,350,000)	37,100,000

DISCLOSURE OF INTERESTS

Notes:

1. The share options can be exercised at any time during the period from 14 June 2020 to 13 June 2029 (both dates inclusive), provided that up to a maximum of 25% of the share options can be exercised during the period commencing from 14 June 2020 to 13 June 2021 and the balance of the share options not then exercised shall be exercisable during the period commencing from 14 June 2021 to 13 June 2029.
2. The closing price of the shares of the Company immediately before the date on which the share options were granted was HK\$0.93.
3. 71,650,000 share options were granted on 14 June 2019 and subsequently, 70,450,000 share options were accepted by the Grantees.
4. The number of options available for grant under the scheme mandate as at 1 January 2025 and 30 June 2025 was 4,773,596.
5. The weighted average over the financial year of all shares that may be issued in respect of options granted under the Scheme divided by the weighted average number of shares in issue for the Period was 0.0552.

Save as disclosed above, there were no outstanding share options under the Scheme during the six months ended 30 June 2025.

The fair value of the options determined at the date of grant using the Black-Scholes option-pricing model was approximately HK\$7,379,000. No share-based payment expense was charged to the interim condensed consolidated income statement for the six months ended 30 June 2025.

The following assumptions were used to calculate the fair value of the share options granted:

Grant date fair value per share	HK\$0.10
Expected life	6 years
Expected volatility	31.93%
Dividend yield	7.39%
Risk-free interest rate	1.44%

Expected volatility is estimated taking into account historical average share price volatility. The Black-Scholes option-pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the Directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

The Company has complied with the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) during the six months ended 30 June 2025, with deviations as stated below:

Code Provision B.2.2 of the CG Code

Code Provision B.2.2 stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

According to the Bye-Laws of the Company, all Directors (except for the Executive Chairman or Managing or Joint Managing Director) of the Company are subject to retirement by rotations and re-elections at the annual general meeting of the Company. This constitutes a deviation from the CG Code. As continuation is a key factor to the successful implementation of any long-term business plans, the Board believes that the present arrangement is most beneficial to the Company and the shareholders as a whole.

CORPORATE GOVERNANCE

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

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company had adopted a code of conduct regarding securities transactions by Directors on no less exacting than the required standard contained in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code"). Having made specific enquiry of all the Directors, the Company had obtained confirmation from all the Directors that they have complied with the required standard set out in the Model Code and the code of conduct for securities transactions by Directors adopted by the Company throughout the six months ended 30 June 2025.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing risk management and internal control systems and financial reporting matters including a review of the unaudited interim condensed consolidated financial information for the six months ended 30 June 2025.