



WONG'S INTERNATIONAL HOLDINGS LIMITED

王氏國際集團有限公司

(Incorporated in Bermuda with limited liability)

Stock Code: 99

INTERIM REPORT FOR 2025



UNAUDITED INTERIM RESULTS

The board of directors (the “Board” or “Directors”) of Wong’s International Holdings Limited (the “Company”) hereby presents the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025 as follows:

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

		Unaudited	
		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	6	1,302,141	1,224,403
Other income		751	1,564
Changes in inventories of finished goods and work in progress		(23,647)	(51,128)
Raw materials and consumables used		(924,648)	(826,599)
Employee benefit expenses		(170,431)	(176,968)
Depreciation	<i>7</i>	(21,064)	(26,229)
Other operating expenses	<i>7</i>	(68,702)	(67,718)
Change in fair value of investment properties	<i>13</i>	(107,196)	(210,927)
Other (losses)/gains – net	<i>8</i>	(7,794)	10,977
Provision for write-down of stock of completed properties		(11,760)	(21,560)
Provision for impairment losses on trade receivables	<i>15</i>	(22)	(20)
Operating loss		(32,372)	(144,205)
Finance income	<i>9</i>	12,336	10,696
Finance costs	<i>9</i>	(35,729)	(37,385)
Share of losses of joint ventures	<i>14</i>	(83,321)	(200,847)
Loss before income tax		(139,086)	(371,741)
Income tax expense	<i>10</i>	(19,344)	(17,175)
Loss after income tax		(158,430)	(388,916)
Loss attributable to owners of the Company		(158,430)	(388,916)
Dividends	<i>11</i>	13,158	13,158
Losses per share attributable to owners of the Company during the period			
Basic	<i>12</i>	(HK\$0.33)	(HK\$0.81)
Diluted	<i>12</i>	(HK\$0.33)	(HK\$0.81)

The notes on pages 7 to 31 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Unaudited	
	2025	2024
	HK\$'000	HK\$'000
Loss for the period	(158,430)	(388,916)
Other comprehensive income:		
<i>Items that may be reclassified to consolidated income statement:</i>		
Cash flow hedge – fair value (losses)/gains for the period	(31,236)	14,851
Cash flow hedge – deferred income tax recognised	5,154	(2,450)
Currency translation differences:		
– Group	79,545	(59,230)
<i>Items that will not be reclassified subsequently to consolidated income statement:</i>		
(Loss)/gain on disposal of financial assets at fair value through other comprehensive income	(249)	312
Changes in fair value of financial assets at fair value through other comprehensive income	(6,637)	(12,875)
Other comprehensive income/(loss) for the period, net of tax	46,577	(59,392)
Total comprehensive loss for the period attributable to the owners of the Company	(111,853)	(448,308)

The notes on pages 7 to 31 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		Unaudited As at 30 June 2025 <i>HK\$'000</i>	Audited As at 31 December 2024 <i>HK\$'000</i>
	<i>Note</i>		
ASSETS			
Non-current assets			
Property, plant and equipment	13	181,182	190,494
Investment properties	13	1,366,723	1,473,317
Right-of-use assets		114,532	79,977
Interests in joint ventures	14	1,493,969	1,591,570
Financial assets at fair value through other comprehensive income		62,523	71,185
Deferred income tax assets		17,648	15,164
Deposits and other receivables		28,184	27,050
Derivative financial instruments		–	11,541
Restricted cash		–	531
		3,264,761	3,460,829
Current assets			
Inventories		260,108	258,714
Stock of completed properties		148,384	160,144
Trade receivables	15	788,447	865,107
Prepayments, deposits and other receivables		55,552	76,070
Financial assets at fair value through other comprehensive income		18	31
Derivative financial instruments		–	1,987
Current income tax recoverable		784	1,009
Restricted cash		119,968	116,814
Short-term bank deposits		423,543	498,285
Cash and cash equivalents		883,592	719,846
		2,680,396	2,698,007
Total assets		5,945,157	6,158,836

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

(continued)

		Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
	Note		
EQUITY			
Equity attributable to owners of the Company			
Share capital	18	47,848	47,848
Other reserves		424,613	376,815
Retained earnings			
– Dividends		13,158	14,355
– Others		2,905,575	3,078,384
Total equity		3,391,194	3,517,402
LIABILITIES			
Non-current liabilities			
Derivative financial instruments		9,396	–
Accruals and other payables		5,899	6,120
Lease liabilities		26,625	–
Deferred income tax liabilities		69,157	81,523
Borrowings	17	741,026	876,430
		852,103	964,073
Current liabilities			
Trade payables	16	541,104	548,021
Accruals and other payables		210,466	222,369
Contract liabilities		114,441	133,620
Lease liabilities		11,087	1,714
Derivative financial instruments		8,312	–
Current income tax liabilities		24,696	29,139
Borrowings	17	791,754	742,498
		1,701,860	1,677,361
Total liabilities		2,553,963	2,641,434
Total equity and liabilities		5,945,157	6,158,836

The notes on pages 7 to 31 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Unaudited			
	Attributable to owners of the Company			Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Other reserves HK\$'000	
As at 1 January 2025	47,848	153,025	3,316,529	3,517,402
Comprehensive income				
Loss for the period	—	—	(158,430)	(158,430)
Other comprehensive income				
Currency translation differences	—	—	79,545	79,545
Loss on disposal of financial assets at fair value through other comprehensive income	—	—	(249)	(249)
Changes in fair value of financial assets at fair value through other comprehensive income	—	—	(6,637)	(6,637)
Cash flow hedge – fair value losses for the period	—	—	(31,236)	(31,236)
Cash flow hedge – deferred income tax recognised	—	—	5,154	5,154
Total other comprehensive income	—	—	46,577	46,577
Total comprehensive loss	—	—	(111,853)	(111,853)
Transactions with owners				
Dividend paid to owners of the Company	—	—	(14,355)	(14,355)
Total transactions with owners	—	—	(14,355)	(14,355)
As at 30 June 2025	47,848	153,025	3,190,321	3,391,194
As at 1 January 2024	47,848	153,025	4,273,394	4,474,267
Comprehensive income				
Loss for the period	—	—	(388,916)	(388,916)
Other comprehensive income				
Currency translation differences	—	—	(59,230)	(59,230)
Gain on disposal of financial assets at fair value through other comprehensive income	—	—	312	312
Changes in fair value of financial assets at fair value through other comprehensive income	—	—	(12,875)	(12,875)
Cash flow hedge – fair value gains for the period	—	—	14,851	14,851
Cash flow hedge – deferred income tax recognised	—	—	(2,450)	(2,450)
Total other comprehensive loss	—	—	(59,392)	(59,392)
Total comprehensive loss	—	—	(448,308)	(448,308)
Transactions with owners				
Dividend paid to owners of the Company	—	—	(14,355)	(14,355)
Total transactions with owners	—	—	(14,355)	(14,355)
As at 30 June 2024	47,848	153,025	3,810,731	4,011,604

The notes on pages 7 to 31 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Unaudited	
	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Cash flows from operating activities		
Net cash generated from operating activities	116,306	153,378
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,501)	(10,347)
Proceeds from disposal of property, plant and equipment	898	1,665
Dividend received from financial assets at fair value through other comprehensive income	–	252
Proceeds from disposal of investment in financial assets at fair value through other comprehensive income	2,309	7,270
Decrease/(increase) in short-term bank deposits	86,954	(424,116)
Decrease in restricted cash	1,021	662
Repayment from joint ventures	14,280	18,207
Interest received	12,336	10,696
Net cash generated from/(used in) investing activities	113,297	(395,711)
Cash flows from financing activities		
Increase/(decrease) in trust receipt bank loans – net	60,055	(160,672)
New bank loans	148,000	114,180
Repayment of bank loans	(294,203)	(203,268)
Payment of lease payment	(5,154)	(6,853)
Dividends paid	(14,355)	(14,355)
Net cash used in financing activities	(105,657)	(270,968)
Net increase/(decrease) in cash and cash equivalents	123,946	(513,301)
Cash and cash equivalents at beginning of the period	719,846	942,040
Currency translation differences	39,800	(5,623)
Cash and cash equivalents at end of the period	883,592	423,116
Analysis of cash and cash equivalents:		
Cash on hand	433	366
Cash at bank	883,159	422,750
Cash and cash equivalents at end of the period	883,592	423,116

The notes on pages 7 to 31 are an integral part of this condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

Wong's International Holdings Limited (the "Company") and its subsidiaries (together the "Group") are principally engaged in the development, manufacture, marketing and distribution of electronics products as well as property holding.

This condensed consolidated interim financial information has not been audited.

2 BASIS OF PREPARATION

This unaudited condensed consolidated interim financial information ("Interim Financial Information") for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, "Interim financial report" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The Interim Financial Information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

3 SIGNIFICANT ACCOUNTING POLICIES

This Interim Financial Information has been prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments, financial assets at fair value through other comprehensive income and investment properties, which are carried at fair value.

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024, as described in those annual financial statements.

Amended standards adopted by the Group

The Group has applied the following amended standards for the first time for its annual reporting period commencing on 1 January 2025:

Standards	Subject of amendment
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability

The amended standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

New and amended standards and interpretation not yet adopted

Certain new and amended standards and interpretation have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group.

Standards	Subject of amendment	Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5	Amendments to Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	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 will adopt the above new and amended standards and interpretation as and when they become effective. Further information about those HKFRSs that are expected to be applicable to the Group is described below.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

New and amended standards and interpretation not yet adopted (continued)

HKFRS 18 introduces new requirements for presentation within the consolidated statement of comprehensive income, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the consolidated income statement into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, narrow-scope amendments have been made to HKAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. There are also consequential amendments to several other standards. HKFRS 18 and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. HKFRS 18 will apply retrospectively. The new requirements are expected to impact the Group's presentation of the consolidated income statement and disclosures of the Group's financial performance. So far, the Group considers that the adoption of HKFRS 18 is unlikely to have a significant impact on the Group's results of operations and financial position.

The Directors of the Company have performed preliminary assessment and do not anticipate any other significant impact on the Group's financial position and results of operations upon adopting these new and amended standards and interpretation to existing HKFRSs.

4 ESTIMATES

The preparation of interim financial statements 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 condensed consolidated interim 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 consolidated financial statements for the year ended 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

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

The condensed consolidated interim 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.

The Group has entered into interest rate swap contracts to partially hedge against the risk of interest increase from the Group's variable rate borrowings.

There have been no changes in the risk management department since year end.

5.2 Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- 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).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.2 Fair value estimation (continued)

The following table presents the Group's financial assets and liabilities that are measured at fair value at 30 June 2025.

	Level 1 <i>HK\$'000</i>	Level 2 <i>HK\$'000</i>	Level 3 <i>HK\$'000</i>	Total <i>HK\$'000</i>
Assets				
Financial assets at fair value through other comprehensive income	<u>45,531</u>	<u>–</u>	<u>17,010</u>	<u>62,541</u>
Liabilities				
Derivative financial instruments	<u>–</u>	<u>17,708</u>	<u>–</u>	<u>17,708</u>

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2024.

	Level 1 <i>HK\$'000</i>	Level 2 <i>HK\$'000</i>	Level 3 <i>HK\$'000</i>	Total <i>HK\$'000</i>
Assets				
Financial assets at fair value through other comprehensive income	53,874	–	17,342	71,216
Derivative financial instruments	<u>–</u>	<u>13,528</u>	<u>–</u>	<u>13,528</u>

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

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

5.3 Valuation techniques used to derive Level 2 fair values

Level 2 derivative financial instruments comprise interest rate swaps. The fair value of interest rate swaps 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.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.4 Valuation techniques used to derive Level 3 fair values

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

The following table summarises the fair value and quantitative information about the significant unobservable inputs used in Level 3 fair value measurements of investments in unlisted private investment fund and entities as at 30 June 2025 and 31 December 2024:

Description	As at 30 June 2025 <i>HK\$'000</i>	As at 31 December 2024 <i>HK\$'000</i>	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Unlisted private investment fund	10,640	11,073	Recent transaction prices of underlying assets	The higher the transaction prices, the higher the fair value
Equity investment in an unlisted private entity	5,402	5,402	Discount rate, sales growth rate	The higher the discount rate/sales growth rate, the lower/higher the fair value
Equity investment in an unlisted private entity	968	867	Recent transaction prices	The higher the transaction prices, the higher the fair value
	<u>17,010</u>	<u>17,342</u>		

The following table presents the changes in Level 3 instruments:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	17,342	26,878
Changes in fair value of financial assets at fair value through other comprehensive income	<u>(332)</u>	<u>(779)</u>
At 30 June	<u>17,010</u>	<u>26,099</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.5 Group's valuation processes

The Group's finance team performs the valuations of financial assets required for financial reporting purposes. This team reports directly to the management. Discussions of valuation processes and results are held between the management and the team at least once bi-annually, in line with the Group's reporting dates.

The fair value of the following financial assets and liabilities approximate their carrying amounts:

- Trade and other receivables;
- Restricted cash;
- Short-term bank deposits;
- Cash and cash equivalents;
- Trade and other payables;
- Lease liabilities; and
- Borrowings.

6 SEGMENT INFORMATION

The Group's senior executive management is considered as the Chief Operating Decision Maker ("CODM"). The Group is currently organised into two operating divisions:

Electronic Manufacturing Service ("EMS") – manufacture and distribution of electronic products for EMS customers.

Property Holding – development, sale and lease of properties.

The CODM reviews the performance of the Group on a regular basis and reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM assesses the performance of the operating segments based on a measure of segment results. This measurement basis includes profit or loss of the operating segments before other income, other gains – net and finance costs – net but excludes corporate and unallocated expenses. Other information provided to the CODM is measured in a manner consistent with that in the Interim Financial Information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION (continued)

	EMS Division HK\$'000	Property Holding Division HK\$'000	Total HK\$'000
For the six months ended 30 June 2025			
External revenue			
Revenue from contracts with customers			
Timing of revenue recognition			
– At a point of time	1,271,379	–	1,271,379
Revenue from other sources			
– Rental income	–	30,762	30,762
	<u>81,769</u>	<u>(179,677)</u>	<u>(97,908)</u>
Segment results			
	<u>19,943</u>	<u>1</u>	<u>19,944</u>
Depreciation			
Share of losses of joint ventures	–	(83,322)	(83,322)
Change in fair value of investment properties	–	(107,196)	(107,196)
Provision for write-down of stock of completed properties	–	(11,760)	(11,760)
	<u>4,501</u>	<u>–</u>	<u>4,501</u>
Capital expenditure			
	EMS Division HK\$'000	Property Holding Division HK\$'000	Total HK\$'000
For the six months ended 30 June 2024			
External revenue			
Revenue from contracts with customers			
Timing of revenue recognition			
– At a point of time	1,193,142	–	1,193,142
Revenue from other sources			
– Rental income	–	31,261	31,261
	<u>64,347</u>	<u>(409,914)</u>	<u>(345,567)</u>
Segment results			
	<u>25,088</u>	<u>22</u>	<u>25,110</u>
Depreciation			
Share of losses of joint ventures	–	(200,847)	(200,847)
Change in fair value of investment properties	–	(210,927)	(210,927)
Provision for write-down of stock of completed properties	–	(21,560)	(21,560)
	<u>10,347</u>	<u>–</u>	<u>10,347</u>
Capital expenditure			

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION (continued)

	EMS Division <i>HK\$'000</i>	Property Holding Division <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 30 June 2025			
Segment assets	2,741,369	1,536,625	4,277,994
Interests in joint ventures	–	1,493,969	1,493,969
Total reportable segment assets	2,741,369	3,030,594	5,771,963
As at 31 December 2024			
Segment assets	2,725,170	1,655,939	4,381,109
Interests in joint ventures	–	1,591,570	1,591,970
Total reportable segment assets	2,725,170	3,247,509	5,972,679

Segment assets consist primarily of property, plant and equipment, investment properties, right-of-use assets, interests in joint ventures, inventories, stock of completed properties, trade receivables, prepayments, deposits and other receivables, restricted cash, short-term bank deposits and cash and cash equivalents, but exclude financial assets at fair value through other comprehensive income, derivative financial instruments, deferred income tax assets, current income tax recoverable and corporate and unallocated assets.

A reconciliation of reportable segment results to profit before income tax is provided as follows:

	For the six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Reportable segment results	(97,908)	(345,567)
Other income	751	1,564
Other (losses)/gains – net	(7,794)	10,977
Finance costs – net	(23,393)	(26,689)
Corporate and unallocated expenses	(10,742)	(12,026)
Loss before income tax	(139,086)	(371,741)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION (continued)

Reportable segment assets are reconciled to total assets as follows:

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Reportable segment assets	5,771,963	5,972,679
Financial assets at fair value through other comprehensive income	62,541	71,216
Derivative financial instruments	–	13,528
Deferred income tax assets	17,648	15,164
Current income tax recoverable	784	1,009
Corporate and unallocated assets	92,221	85,240
Total assets per condensed consolidated statement of financial position	5,945,157	6,158,836

Reconciliations of other material items are as follows:

	For the six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Depreciation		
– Reportable segment total	19,944	25,110
– Corporate headquarters	1,120	1,119
	21,064	26,229
Capital expenditure		
– Reportable segment total	4,501	10,347

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

6 SEGMENT INFORMATION (continued)

The Company is domiciled in Bermuda. Analysis of the Group's revenue by geographical market, which is determined by the destination of the invoices billed, is as follows:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
North America	208,972	157,169
Asia (excluding Hong Kong)	699,471	775,133
Europe	307,457	198,497
Hong Kong	86,241	93,604
	<u>1,302,141</u>	<u>1,224,403</u>

For the six months ended 30 June 2025, revenue of approximately HK\$628,390,000 and HK\$152,190,000 were derived from the top two external customers respectively. For the six months ended 30 June 2024, revenue of approximately HK\$504,490,000, HK\$133,179,000 and HK\$129,337,000 were derived from the top three external customers respectively. These customers individually account for 10 percent or more of the Group's revenue. These revenues are attributable to the EMS Division.

Analysis of the Group's non-current assets by geographical market is as follows:

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
North America	–	6
Asia (excluding Hong Kong)	262,559	248,080
Europe	11	9
Hong Kong	2,984,543	3,197,570
	<u>3,247,113</u>	<u>3,445,665</u>

Non-current assets comprise property, plant and equipment, investment properties, right-of-use assets, interests in joint ventures, financial assets at fair value through other comprehensive income, derivative financial instruments, deposits and other receivables and restricted cash. They exclude deferred income tax assets.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

7 PROFIT BEFORE INCOME TAX

Profit before income tax is analysed as follows:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Depreciation of property, plant and equipment	13,589	17,778
Depreciation of right-of-use assets	7,475	8,451
Depreciation	21,064	26,229
Auditor's remuneration	1,126	1,359
Bank charges	1,721	1,347
Building management fees	11,149	9,043
Chemicals and consumables	13,114	13,210
Cleaning expenses	984	1,015
Entertainment expenses	420	434
Government rent and rates	1,521	1,555
Government surcharges	3,861	2,692
Insurance charges	1,383	1,207
Legal and professional fees	2,059	2,604
Motor vehicle expenses	1,714	1,969
Office and factories expenses	1,923	2,304
Operating lease rental in respect of short-term lease	1,858	3,253
Recruitment, training and other staff welfares		
expenses	2,061	1,625
Repairs and maintenances	3,773	3,513
Security expenses	867	919
Travelling expenses	1,159	1,245
Transportation	8,394	8,088
Utility expense	8,371	8,685
Others	1,244	1,651
Other operating expenses	68,702	67,718
Total	89,766	93,947

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

8 OTHER (LOSSES)/GAINS – NET

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Gains on disposal of property, plant and equipment	650	1,288
Exchange (losses)/gains – net	(8,444)	9,689
	<u>(7,794)</u>	<u>10,977</u>

9 FINANCE COSTS – NET

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Finance income		
– Interest income	12,336	10,696
	-----	-----
Finance costs		
– Interest expenses on bank borrowings	(34,753)	(36,936)
– Interest expenses on lease liabilities	(976)	(449)
	<u>-----</u>	<u>-----</u>
Total finance costs	(35,729)	(37,385)
	-----	-----
Finance costs – net	<u>(23,393)</u>	<u>(26,689)</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

10 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit arising in or derived from Hong Kong.

The Group's subsidiaries in Mainland China are subject to the China Corporate Income Tax at the rate of 25% (2024: 25%) on the estimated profits, except for Welco Technology (Suzhou) Limited, a wholly-owned subsidiary of the Group, which is subject to a rate of 15% (2024: 15%) on the estimated profits.

The amount of income tax charged to the condensed consolidated interim income statement represents:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
– Hong Kong profits tax	(290)	3,498
– Overseas taxation	20,688	13,010
Dividend withholding tax paid on the distributed retained profits of a PRC incorporated subsidiary	8,072	8,611
Deferred income tax	(9,126)	(7,944)
	<u>19,344</u>	<u>17,175</u>

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

11 DIVIDENDS

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Interim dividend – HK\$0.0275 (2024: HK\$0.0275)		
per share	<u>13,158</u>	<u>13,158</u>

On 26 August 2025, the Board has resolved to pay an interim dividend of HK\$0.0275 per share (2024: HK\$0.0275 per share) which is payable on Friday, 26 September 2025 to the shareholders whose names appear on the Register of Members of the Company on Friday, 12 September 2025. This interim dividend, amounting to HK\$13,158,000 (2024: HK\$13,158,000) has not been recognised as a liability in this Interim Financial Information. It will be recognised in shareholders' equity in the year ending 31 December 2025.

12 LOSSES PER SHARE

(a) Basic

Basic losses 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.

	For the six months ended 30 June	
	2025	2024
Loss attributable to owners of the Company		
(HK\$'000)	<u>(158,430)</u>	<u>(388,916)</u>
Weighted average number of ordinary		
shares in issue (<i>in thousands</i>)	<u>478,484</u>	<u>478,484</u>
Basic losses per share (HK\$)	<u>(0.33)</u>	<u>(0.81)</u>

(b) Diluted

No diluted losses per share is presented for both periods because there is no dilutive potential ordinary shares outstanding throughout both periods.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

13 CAPITAL EXPENDITURE

	Property, plant and equipment <i>HK\$'000</i>	Investment properties <i>HK\$'000</i>
For the six months ended 30 June 2025		
Opening net book amount as at 1 January 2025	190,494	1,473,317
Additions	4,501	–
Disposals	(248)	–
Fair value losses	–	(107,196)
Depreciation	(13,589)	–
Currency translation differences	24	602
Closing net book amount as at 30 June 2025	181,182	1,366,723

	Property, plant and equipment <i>HK\$'000</i>	Investment properties <i>HK\$'000</i>
For the six months ended 30 June 2024		
Opening net book amount as at 1 January 2024	211,689	1,946,822
Additions	10,347	–
Disposals	(377)	–
Fair value losses	–	(210,927)
Depreciation	(17,778)	–
Currency translation differences	(7,722)	(626)
Closing net book amount as at 30 June 2024	196,159	1,735,269

The valuations of the investment properties at 30 June 2025 were carried out by an independent firm of surveyors, Roma Appraisals Limited, who is a fellow member of the Hong Kong Institute of Surveyors. The fair value measurement information for these investment properties in accordance with HKFRS 13 is given below.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

13 CAPITAL EXPENDITURE (continued)

	Fair value measurements		
	Quoted prices in active markets for identical assets (Level 1) <i>HK\$'000</i>	Significant other observable inputs (Level 2) <i>HK\$'000</i>	Significant unobservable inputs (Level 3) <i>HK\$'000</i>
As at 30 June 2025			
Recurring fair value measurements			
Investment properties	–	–	1,366,723
As at 31 December 2024			
Recurring fair value measurements			
Investment properties	–	–	1,473,317

There were no transfers among Level 1, Level 2 and Level 3 during the period.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

13 CAPITAL EXPENDITURE (continued)

Fair value measurements using significant unobservable inputs (Level 3)

	Investment properties		
	Hong Kong	Outside	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 January 2025	1,454,100	19,217	1,473,317
Fair value losses	(106,550)	(646)	(107,196)
Currency translation differences	–	602	602
At 30 June 2025	<u>1,347,550</u>	<u>19,173</u>	<u>1,366,723</u>
Total unrealised losses for the period included in the condensed consolidated income statement for assets held at the end of the period, under 'Change in fair value of investment properties'	<u>(106,550)</u>	<u>(646)</u>	<u>(107,196)</u>
At 1 January 2024	1,925,000	21,822	1,946,822
Fair value losses	(209,200)	(1,727)	(210,927)
Currency translation differences	–	(626)	(626)
At 30 June 2024	<u>1,715,800</u>	<u>19,469</u>	<u>1,735,269</u>
Total unrealised losses for the period included in the condensed consolidated income statement for assets held at the end of the period, under 'Change in fair value of investment properties'	<u>(209,200)</u>	<u>(1,727)</u>	<u>(210,927)</u>

Fair values of completed investment properties have been valued by the direct comparison approach assuming sale of the properties in their existing states with the benefit of vacant possession and by making reference to comparable sales transactions as available in the relevant market.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

13 CAPITAL EXPENDITURE (continued)

Fair value measurements using significant unobservable inputs (Level 3) (continued)

The valuation have been made on the assumption that the owners sell the properties in the open market without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to increase the values of such properties. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the properties and no allowance has been made for the properties to be sold in one lot or to a single purchaser.

There were no changes in valuation techniques during the period.

As at 30 June 2025, certain bank borrowings are secured by property, plant and equipment, right-of-use assets, investment properties and stock of completed properties with a carrying amount of approximately HK\$1,556,297,000 (31 December 2024: HK\$1,675,326,000) (Note 17).

14 INTERESTS IN JOINT VENTURES

	As at 30 June 2025 <i>HK\$'000</i>	As at 31 December 2024 <i>HK\$'000</i>
Share of net assets	521,374	604,695
Loans to joint ventures	972,595	986,875
	<u>1,493,969</u>	<u>1,591,570</u>

Movements in share of net assets is analysed as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	604,695	1,051,442
Share of losses of joint ventures	(83,321)	(200,847)
	<u>521,374</u>	<u>850,595</u>
At 30 June		

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

14 INTERESTS IN JOINT VENTURES (continued)

Share of losses of joint ventures included the share of fair value losses, net of deferred income tax, of investment properties owned by the joint ventures of approximately HK\$97,775,000 (2024: share of fair value losses, net of deferred income tax, of HK\$214,327,000).

As at 30 June 2025, the Group had interests in the following principal joint ventures, which are unlisted:

Name of company	Place of incorporation	Proportion of ownership interest (%)	Principal activities	Nature of the relationship	Measurement method
Talent Chain Investments Limited	BVI	35.7	Investment holding	Note	Equity
Crown Opal Investment Limited	Hong Kong	35.7	Property holding	Note	Equity
Open Vantage Limited	BVI	35.7	Property investment	N/A	Equity

Note: Crown Opal Investment Limited is a subsidiary of Talent Chain Investments Limited.

The loans to joint ventures are unsecured, interest-free and will not be repaid in the coming twelve months. The Directors consider that the carrying amounts of the loans to the joint ventures approximate their fair values. The amounts are denominated in Hong Kong dollars.

Talent Chain Investments Limited, Crown Opal Investment Limited and Open Vantage Limited are private companies and there is no quoted market price available for their shares.

15 TRADE RECEIVABLES

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Trade receivables	788,907	865,545
Less: allowance for impairment of trade receivables	(460)	(438)
	<u>788,447</u>	<u>865,107</u>

The credit period allowed by the Group to its trade customers mainly ranges from 30 days to 120 days and no interest is charged.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

15 TRADE RECEIVABLES (continued)

Ageing analysis of the Group's trade receivables by invoice date is as follows:

	As at 30 June 2025 <i>HK\$'000</i>	As at 31 December 2024 <i>HK\$'000</i>
0 – 60 days	530,242	506,851
61 – 90 days	127,918	180,405
Over 90 days	130,747	178,289
	<u>788,907</u>	<u>865,545</u>

The movement of loss allowance for trade receivables is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	438	2,325
Increase in loss allowance	<u>22</u>	<u>20</u>
At 30 June	<u>460</u>	<u>2,345</u>

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The carrying amounts of the Group's trade receivables approximated their fair values as at 30 June 2025.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

16 TRADE PAYABLES

Ageing analysis of the Group's trade payables by invoice date is as follows:

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
0 – 60 days	313,930	376,770
61 – 90 days	49,587	47,815
Over 90 days	177,587	123,436
	<u>541,104</u>	<u>548,021</u>

The carrying amounts of the Group's trade payables approximated their fair values as at 30 June 2025.

17 BORROWINGS

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Trust receipt bank loans, unsecured	283,445	223,390
Short-term bank loans, unsecured	295,000	299,000
Short-term bank loans, secured	115,700	115,700
Portion of long-term bank loans due for repayment within one year, secured	97,609	104,408
Portion of long-term bank loans due for repayment after one year, secured	741,026	876,430
Total borrowings	<u>1,532,780</u>	<u>1,618,928</u>
Non-current	741,026	876,430
Current	<u>791,754</u>	<u>742,498</u>
Total borrowings	<u>1,532,780</u>	<u>1,618,928</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

17 BORROWINGS (continued)

As at 30 June 2025, the short-term and long-term bank loans of HK\$954,334,000 (31 December 2024: HK\$1,096,538,000) were secured by the following:

- Charges over property, plant and equipment with carrying amount of approximately HK\$18,261,000 (31 December 2024: HK\$18,556,000), right-of-use assets with carrying amount of approximately HK\$51,102,000 (31 December 2024: HK\$51,926,000), investment properties with carrying amount of approximately HK\$1,338,550,000 (31 December 2024: HK\$1,444,700,000) and stock of completed properties with carrying amount of approximately HK\$148,384,000 (31 December 2024: HK\$160,144,000);
- Restricted cash of HK\$119,968,000 (31 December 2024: HK\$116,814,000) from an indirect wholly-owned subsidiary of the Company; and
- A guarantee limited to HK\$760,000,000 from an indirect wholly-owned subsidiary of the Company.

18 SHARE CAPITAL

	Number of shares	Nominal value <i>HK\$'000</i>
Ordinary shares of HK\$0.10 each		
Authorised:		
At 1 January 2024 and 30 June 2024	700,000,000	70,000
At 1 January 2025 and 30 June 2025	700,000,000	70,000
Issued and fully paid:		
At 1 January 2024 and 30 June 2024	478,483,794	47,848
At 1 January 2025 and 30 June 2025	478,483,794	47,848

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

19 COMMITMENTS

- (a) Capital commitments in respect of property, plant and equipment are as follows:

	As at 30 June 2025 <i>HK\$'000</i>	As at 31 December 2024 <i>HK\$'000</i>
Contracted but not provided for	8,572	7,713
Authorised but not contracted for	—	—
	<u>8,572</u>	<u>7,713</u>

- (b) The Group's future rental income receivables under various non-cancellable operating leases in respect of rented premises are analysed as follows:

	As at 30 June 2025 <i>HK\$'000</i>	As at 31 December 2024 <i>HK\$'000</i>
Within one year	50,547	51,125
In the second to fifth year inclusive	44,650	72,029
	<u>95,197</u>	<u>123,154</u>

Operating lease receipts represents rentals receivable by the Group for leasing its investment properties. Leases and rentals are negotiated and fixed for an average of 3 years (2024: 3 years).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

20 RELATED PARTY TRANSACTIONS

As at 30 June 2025, the largest shareholder of the Company was Mr. Wong Chung Mat, Ben (personally and via Salop Hong Kong Limited, a company wholly-owned and controlled by him).

(a) Balances with related parties

The loans to joint ventures are set out in Note 14 to the condensed consolidated interim financial information.

(b) Key management compensation

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Salaries and allowances	7,769	8,252
Bonus	4,269	4,902
Pension costs		
– defined contribution schemes	21	36
	<u>12,059</u>	<u>13,190</u>

INTERIM DIVIDEND

On 26 August 2025, the Board has resolved to pay an interim dividend of HK\$0.0275 per share (2024: HK\$0.0275 per share) which is payable on Friday, 26 September 2025 to the shareholders whose names appear on the Register of Members of the Company on Friday, 12 September 2025.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

The Register of Members of the Company will be closed from Wednesday, 10 September 2025 to Friday, 12 September 2025, both days inclusive, during which period no transfer of shares shall be effected. To qualify for the above interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 9 September 2025. Shareholders whose names appear on the Register of Members of the Company on Friday, 12 September 2025 (i.e. the record date) will be eligible for receiving the interim dividend.

REVIEW OF BUSINESS ACTIVITIES

Review of Results

Loss attributable to owners of the Company amounted to HK\$158.4 million, as compared to loss of HK\$388.9 million for the corresponding period last year. The reported result included decreases in value of investment properties held by the Group and the joint ventures, and stock of completed properties, net of deferred tax, of HK\$214.8 million, as compared to decreases of HK\$443.3 million for the corresponding period last year.

The underlying profit attributable to owners of the Company (excluding the effect of changes on investment properties held by the Group and the joint ventures, and stock of completed properties, net of deferred tax) for the six months ended 30 June 2025 amounted to HK\$56.4 million, as compared to HK\$54.3 million for the corresponding period last year. This was mainly attributable to the profit from the Electronic Manufacturing Service (EMS) Division increased by HK\$17.4 million, profit from the Property Holding Division increased by HK\$0.8 million (excluding the effect of changes on investment properties held by the Group and the joint ventures, and stock of completed properties, net of deferred tax), decrease in net finance cost by HK\$3.3 million and offsetting by increase in loss in exchange difference by HK\$18.1 million and increase in income tax expenses by HK\$2.2 million.

REVIEW OF BUSINESS ACTIVITIES (continued)

Review of Results (continued)

Losses per share for the six months ended 30 June 2025 was HK\$0.33 as compared to losses per share of HK\$0.81 for the corresponding period last year. The Group's revenue for the six months ended 30 June 2025 was HK\$1,302.1 million, as compared to HK\$1,224.4 million for the corresponding period last year. Operating loss for the six months ended 30 June 2025 was HK\$32.4 million, as compared to operating loss of HK\$144.2 million for the corresponding period last year.

Electronic Manufacturing Service ("EMS") Division

Revenue for the six months ended 30 June 2025 was HK\$1,271.4 million, as compared to HK\$1,193.1 million for the corresponding period last year. The segment profit attributable to the EMS Division was HK\$81.8 million, 27.1% increase as compared to HK\$64.3 million for the corresponding period last year. The increase in the segment net profit was attributable to increase in sales to external customers and cost efficiency improvement.

Property Holding Division

The Property Holding Division reported revenue of HK\$30.8 million, close to HK\$31.3 million for the corresponding period last year. The segment loss for the period was HK\$179.7 million as compared to segment loss of HK\$409.9 million for the corresponding period last year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, the Group had a total of HK\$2,806.2 million (2024 December: HK\$2,908.9 million) of banking facilities. Total bank borrowings were HK\$1,532.8 million (2024 December: HK\$1,618.9 million). Cash and cash equivalents, short-term bank deposits and restricted cash were HK\$1,427.1 million at 30 June 2025 (2024 December: HK\$1,335.5 million).

As at 30 June 2025, the Group had net bank borrowings of HK\$105.7 million, as compared to HK\$283.5 million at 31 December 2024. Sufficient banking facilities and bank balance are available to meet the cash needs of the Group for its manufacturing operations as well as Property Holding Division.

Net gearing ratio for the Group as at 30 June 2025 is 0.03 (2024 December: 0.08). The net gearing ratio was calculated as net debt divided by total equity. Net debt is calculated as total borrowings and lease liabilities less cash and cash equivalents, short-term bank deposits and restricted cash.

FOREIGN EXCHANGE AND RISK MANAGEMENT

Most of the Group's sales are conducted in United States dollars and costs and expenses are mainly in United States dollars, Hong Kong dollars, Japanese Yen, Chinese Renminbi and Vietnam Dong. Consistent with its prudent policy on financial risk management, the Group does not use any foreign exchange hedging products. The Group recognises the currency risk in the fluctuation of Chinese Renminbi and will closely monitor and actively manage the risk involved.

CAPITAL STRUCTURE

There has been no material change in the Group's capital structure since 31 December 2024 which consists of bank borrowings, cash and cash equivalents, short-term bank deposits, restricted cash and equity attributable to owners of the parent, comprising issued share capital and reserves.

EMPLOYEES

As at 30 June 2025, the Group employed approximately 2,500 employees. The Group adopts a remuneration policy which is commensurate with job nature, qualification and experience of employees. In addition to the provision of annual bonuses and employee related insurance benefits, discretionary bonuses are also rewarded to employees based on individual performance. The remuneration packages and policies are reviewed periodically. The Group also provides in-house and external training programs to its employees.

PROSPECTS

Looking ahead to the second half of Year 2025, US tariff policy will still be the top disruption force to the global economy. It has led to the consumer prices increase and economic uncertainty. The Group expects high interest rate and high commodity prices to persist in the second half of Year 2025. Some customers are adopting wait-and-see strategies until the US tariff situation is clear, and as a result, the business outlook for the EMS business has been affected. Overall, based on current customer orders and forecasts, the Group expects that the revenue of the EMS business in the second half of Year 2025 will be slightly lower than that booked in the first half of Year 2025.

PROSPECTS (continued)

The Group will continue strengthening its dual manufacturing base in Mainland China and Vietnam for offering flexible production solutions. The Group will continue investing in the Vietnam facility with plans to expand production capacity, upgrade technical capabilities, and cultivate skilled talent, positioning it as a key driver of growth. The Group also aims to broaden its customer base, particularly in sectors with stable long-term demand like industrial electronics and new energy. Operational efficiency will be enhanced through greater automation and lean manufacturing practices to maintain cost competitiveness.

In the property segment, the Group's commercial properties in Hong Kong have been almost fully leased, providing stable rental income. The Group maintains its hedging strategy to mitigate the impact of high interest rates on financing costs.

The Group remains committed to disciplined financial management, operational excellence, and long-term value creation for shareholders. It will continue to monitor the US tariff negotiation closely and adapt its strategies to navigate risks and seize emerging opportunities.

AWARD AND RECOGNITION

The Company and its wholly-owned subsidiary, Wong's Electronics Company Limited, were awarded the Caring Company Logo by The Hong Kong Council of Social Service for the thirteenth consecutive year. These serve as recognition of the Group's active participation in community activities and good corporate citizenship.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES

As at 30 June 2025, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the 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 (the “Model Code”), were as follows:

Long positions in shares of the Company

Name of Directors	Capacity	Number of ordinary shares	Approximate percentage of the issued shares
Wong Chung Mat, Ben	Beneficial owner and interest of controlled corporation (Note)	136,828,569	28.60%
Wong Yin Man, Ada	Beneficial owner	1,000,000	0.21%
Chan Tsze Wah, Gabriel	Beneficial owner	1,837,500	0.38%
Yu Sun Say	Beneficial owner	500,000	0.10%

Note:

Mr. Wong Chung Mat, Ben was deemed (by virtue of the SFO) to be interested in 136,828,569 shares in the Company. These shares were held in the following capacity:

- (a) 1,000,000 shares were held by Mr. Wong Chung Mat, Ben personally.
- (b) 135,828,569 shares were held by Salop Hong Kong Limited, which was wholly-owned and controlled by Mr. Wong Chung Mat, Ben.

Save as disclosed herein, as at 30 June 2025, none of the Directors or chief executives of the Company or their 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.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors or chief executives of the Company, as at 30 June 2025, persons (other than the Directors or chief executives of the Company) who 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 shares of the Company

Name of substantial shareholders	Capacity	Number of ordinary shares	Approximate percentage of the issued shares
Salop Hong Kong Limited	Beneficial owner (Note 1)	135,828,569	28.39%
Cantrust (Far East) Limited	Trustee (Note 2)	126,298,413	26.40%
Wong Chung Ah, Johnny	Beneficial owner, interest of spouse and founder of a discretionary trust (Note 3)	90,308,532	18.87%
Luk Kit Ching	Beneficial owner and interest of spouse (Note 3)	90,308,532	18.87%
Kong King International Limited	Beneficial owner (Note 3(c))	88,073,532	18.41%
WLJ Holding Limited	Interest of controlled corporation (Note 3(c))	88,073,532	18.41%
Wong Chung Yin, Michael	Beneficial owner and joint interest (Note 4)	78,526,001	16.41%
Woo Sin Ming	Joint interest and interest of spouse (Note 4)	78,526,001	16.41%
Wong Chung Yan, Claudia	Founder of a discretionary trust (Note 5)	38,224,881	7.99%
New Chung Yan Limited	Interest of controlled corporation (Note 5)	38,224,881	7.99%
Everitt, Chung Chui	Founder of a discretionary trust (Note 6)	31,379,167	6.56%
Sycamore Assets Limited	Beneficial owner (Note 6)	31,379,167	6.56%
HSBC International Trustee Limited	Trustee (Note 6)	31,379,167	6.56%

INTERESTS OF SUBSTANTIAL SHAREHOLDERS (continued)

Long positions in shares of the Company (continued)

Notes:

1. Salop Hong Kong Limited was a company wholly-owned and controlled by Mr. Wong Chung Mat, Ben. Please refer to the Note under the section headed “Interests of Directors and chief executives”.
2. Cantrust (Far East) Limited was deemed (by virtue of the SFO) to be interested in 126,298,413 shares in the Company. These shares were held in the following capacity:
 - (a) 88,073,532 shares were held by Kong King International Limited under a discretionary trust, of which Cantrust (Far East) Limited was the trustee. Please refer to Note 3(c) below.
 - (b) 19,112,441 shares and 19,112,440 shares were held by Aldalyn Limited and Blueford Limited respectively under a discretionary trust, of which Cantrust (Far East) Limited was the trustee. Please refer to Note 5 below.
3. Mr. Wong Chung Ah, Johnny and his wife, Ms. Luk Kit Ching, were deemed (by virtue of the SFO) to be interested in the same block of 90,308,532 shares in the Company. These shares were held in the following capacity:
 - (a) 1,000,000 shares were held by Mr. Wong Chung Ah, Johnny personally.
 - (b) 1,235,000 shares were held by Ms. Luk Kit Ching, wife of Mr. Wong Chung Ah, Johnny.
 - (c) 88,073,532 shares were held by Kong King International Limited under a discretionary trust, of which Mr. Wong Chung Ah, Johnny was regarded as the founder (by virtue of the SFO) and Cantrust (Far East) Limited was the trustee. Kong King International Limited was wholly-owned by WLJ Holding Limited, which was wholly-owned by Cantrust (Far East) Limited. Each of Mr. Wong Chung Ah, Johnny, Ms. Luk Kit Ching, Kong King International Limited, WLJ Holding Limited and Cantrust (Far East) Limited was deemed to be interested in the same block of 88,073,532 shares.
4. Mr. Wong Chung Yin, Michael and his wife, Ms. Woo Sin Ming, were deemed (by virtue of the SFO) to be interested in the same block of 78,526,001 shares in the Company. These shares were held in the following capacity:
 - (a) 50,458,041 shares were held by Mr. Wong Chung Yin, Michael personally.
 - (b) 28,067,960 shares were held by Mr. Wong Chung Yin, Michael and Ms. Woo Sin Ming jointly.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS (continued)

Long positions in shares of the Company (continued)

Notes: (continued)

5. Ms. Wong Chung Yan, Claudia was deemed (by virtue of the SFO) to be interested in 19,112,441 shares and 19,112,440 shares in the Company which were held by Aldalyn Limited and Blueford Limited respectively (38,224,881 shares in total) under a discretionary trust, of which Ms. Wong Chung Yan, Claudia was regarded as the founder (by virtue of the SFO) and Cantrust (Far East) Limited was the trustee. Aldalyn Limited and Blueford Limited were wholly-owned by New Chung Yan Limited, which was wholly-owned by Cantrust (Far East) Limited. Each of Ms. Wong Chung Yan, Claudia, New Chung Yan Limited and Cantrust (Far East) Limited was deemed to be interested in the same block of 38,224,881 shares.
6. Mrs. Everitt, Chung Chui was deemed (by virtue of the SFO) to be interested in 31,379,167 shares in the Company which were held by Sycamore Assets Limited under a discretionary trust, of which Mrs. Everitt, Chung Chui was regarded as the founder (by virtue of the SFO) and HSBC International Trustee Limited was the trustee. Sycamore Assets Limited was wholly-owned by HSBC International Trustee Limited. Each of Mrs. Everitt, Chung Chui, Sycamore Assets Limited and HSBC International Trustee Limited was deemed to be interested in the same block of 31,379,167 shares.

Save as disclosed herein, 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.

SHARE OPTIONS

The Company has adopted a share option scheme (the “Scheme”) on 26 June 2020. No option has been granted under the Scheme since its adoption date and up to 30 June 2025. As at 1 January 2025 and 30 June 2025, the number of options available for grant under the scheme mandate was 47,848,379.

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 purchased, sold or redeemed any of the Company’s listed securities.

CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2025, the Company has complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), except for the following deviations:

Code provision C.2.1

Code provision C.2.1 provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Wong Chung Mat, Ben is the Group’s Chairman and Chief Executive Officer and has occupied these two positions since February 2003. In allowing the two positions to be occupied by the same person, the Company has considered the following:

- (a) Both positions require in-depth knowledge and considerable experience of the Group’s business. Candidates with the suitable knowledge, experience and leadership are difficult to find both within and outside the Group. If either of the positions is occupied by an unqualified person, the Group’s performance could be gravely compromised.
- (b) The Company believes that the supervision of the Board and its Independent Non-executive Directors can provide an effective check and balance mechanism and ensures that the interests of the shareholders are adequately represented.

Code provision D.2.3 (formerly known as D.2.6)

Code provision D.2.3 stipulates that the issuer’s whistleblowing policy should permit concerns to be raised in anonymity.

The existing Whistleblowing Policy of the Company does not accept anonymous reporting because the Company believes it will be difficult to follow up and obtain information for an effective investigation. Also, based on experience in the Company’s factories, the Company would expect an abundance of anonymous reporting if anonymous reporting was to be accepted and this would unduly burden the Company’s management resources.

Nevertheless, the Company will make every effort to treat all reporting in a strictly confidential manner. All communications between the investigator and the whistleblowers are strictly protected to ensure that no reprisal or blame would be directed against the whistleblowers. The identity of the whistleblower will not be disclosed without his/her consent, unless the Company is legally obliged to reveal the whistleblower’s identity and other information to any government authorities.

CORPORATE GOVERNANCE CODE (continued)

Code provision E.1.2(i)

Code provision E.1.2 sets out the minimum responsibilities that should be included in the terms of reference of the remuneration committee, in which E.1.2(i) refers to the responsibility to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

The current Terms of Reference of the Remuneration Committee of the Company do not include the responsibility under code provision E.1.2(i) mentioned above. The existing share option scheme (the “Scheme”) of the Company is a traditional scheme for the benefit of the employees and other eligible participants. Implementation of such Scheme is governed by formal and transparent procedures under the scheme rules adopted by the shareholders of the Company, including the requirements for specific approval from the Board, Independent Non-executive Directors or shareholders where necessary. It is considered that the Board as a whole is more efficient and effective for discharging the responsibility to oversee matters relating to the Scheme. Any share options granted to a Director or senior management will form part of the individual remuneration package and therefore fall under the scope of the Remuneration Committee.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules. Having made specific enquiry to all Directors, all Directors confirmed that they had complied with the required standard set out in the Model Code during the six months ended 30 June 2025.

UPDATE ON DIRECTOR’S INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Personal Information of Director

Ms. Wong Yin Man, Ada, Executive Director of the Company, ceased to be a member of the Enterprise Support Scheme Assessment Panel under the Innovation and Technology Fund upon expiry of her term of office on 30 June 2025.

AUDIT COMMITTEE

The Audit Committee, which comprises of three Independent Non-executive Directors, has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited interim financial information for the six months ended 30 June 2025.

By order of the Board
WONG CHUNG MAT, BEN
Chairman and Chief Executive Officer

Hong Kong, 26 August 2025

BOARD OF DIRECTORS

Executive Directors:

Mr. Wong Chung Mat, Ben
(Chairman and Chief Executive Officer)
Ms. Wong Yin Man, Ada
Dr. Chan Tsze Wah, Gabriel
Mr. Hung Wing Shun, Edmund
Mr. Chan Wai Ming, Hermes

Independent Non-executive Directors:

Dr. Li Ka Cheung, Eric GBS, OBE, JP
Dr. Yu Sun Say GBM, JP
Mr. Alfred Donald Yap JP
Mr. Lo Wai Ho, Ashley