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**KEEN OCEAN INTERNATIONAL HOLDING LIMITED**  
**僑洋國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8070)**

**INTERIM RESULTS ANNOUNCEMENT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**Characteristics of GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “**Directors**”) of Keen Ocean International Holding Limited (the “**Company**” or “**our**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company and its subsidiaries (collectively refer to as the “**Group**”). The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## UNAUDITED INTERIM RESULTS

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2025, together with the comparative figures for the corresponding periods in 2024 as follows:

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the six months ended 30 June 2025*

	Notes	For the six months ended 30 June	
		2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
<b>Revenue</b>	3	<b>137,077</b>	127,072
Cost of sales		<b>(107,508)</b>	(101,197)
Gross profit		<b>29,569</b>	25,875
Other income	4	<b>4,613</b>	2,156
Other (loss)/gain	5	<b>(2,777)</b>	850
Selling and distribution expenses		<b>(4,324)</b>	(2,587)
Administrative expenses		<b>(16,003)</b>	(14,559)
Finance costs	6	<b>(556)</b>	(1,043)
<b>Profit before taxation</b>		<b>10,522</b>	10,692
Income tax expense	7	<b>(1,722)</b>	(583)
<b>Profit for the period</b>	8	<b>8,800</b>	10,109
<b>Other comprehensive expenses after tax:</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		<b>710</b>	(983)
<b>Total comprehensive income for the period</b>		<b>9,510</b>	9,126
<b>Profit for the period attributable to:</b>			
Owners of the Company		<b>8,797</b>	10,107
Non-controlling interests		<b>3</b>	2
		<b>8,800</b>	10,109
<b>Total comprehensive income for the period attributable to:</b>			
Owners of the Company		<b>9,507</b>	9,124
Non-controlling interests		<b>3</b>	2
		<b>9,510</b>	9,126
<b>Earnings per share</b>			
Basic and diluted (HK cents)	9	<b>4.40</b>	5.05

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	As at 30 June 2025 HK\$'000 (unaudited)	As at 31 December 2024 HK\$'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment	11	37,855	36,973
Right-of-use assets		2,257	3,009
		<u>40,112</u>	<u>39,982</u>
<b>Current assets</b>			
Inventories		42,398	34,434
Trade and other receivables and prepayments	12	71,893	71,882
Amount due from a related party		1,382	1,113
Pledged bank deposits		43,224	26,913
Short-term deposits		15,500	37,200
Bank and cash balances		13,785	6,130
		<u>188,182</u>	<u>177,672</u>
<b>Current liabilities</b>			
Trade and other payables and accruals	13	66,883	62,581
Contract liabilities		46,958	42,627
Bank loans and overdrafts		13,139	20,173
Lease liabilities		2,337	3,080
Current tax liabilities		4,730	4,456
		<u>134,047</u>	<u>132,917</u>
<b>Net current assets</b>		<u>54,135</u>	<u>44,755</u>
<b>Net Assets</b>		<u>94,247</u>	<u>84,737</u>
<b>Capital and reserves</b>			
Share capital	14	2,000	2,000
Reserves		92,270	82,763
Equity attributable to owners of the Company		94,270	84,763
Non-controlling interests		(23)	(26)
<b>TOTAL EQUITY</b>		<u>94,247</u>	<u>84,737</u>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

*For the six months ended 30 June 2025*

## 1. BASIS OF PREPARATION

These unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited.

These unaudited condensed consolidated financial statements should be read in conjunction with the 2024 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2024.

## 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior year.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRS would have a material impact on its results of operations and financial position.

## 3. REVENUE AND SEGMENT INFORMATION

The Group’s operation is solely derived from the manufacture and sale of transformers, switching mode power supply, electronic parts and components, and electric healthcare products during the reporting periods. For the purpose of resource allocation and performance assessment, the chief operating decision maker (i.e. the chief executive officer of the Company) reviewed the overall results and financial position of the Group as a whole which are prepared based on the same accounting policies as those adopted in the financial statements for the year ended 31 December 2024. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

An analysis of the Group's revenue from its major products is as follows:

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Sales of transformers	<b>67,162</b>	45,403
Sales of switching mode power supply	<b>1,505</b>	2,000
Sales of electronic parts and components	<b>68,410</b>	79,669
	<hr/>	<hr/>
Revenue from contracts with customers	<b>137,077</b>	127,072
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Disaggregation of revenue from contracts with customers:

### Geographical information

The Group's operation is located in the People's Republic of China (the "PRC"). Information about the Group's revenue is presented based on the location of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	<b>Revenue from external customers</b>		<b>Non-current assets</b>	
	<b>For the six months ended 30 June</b>		<b>As at 30 June</b>	<b>As at 31 December</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(audited)</b>
Hong Kong	<b>1,620</b>	1,872	<b>21,206</b>	21,502
PRC	<b>25,325</b>	23,510	<b>18,906</b>	18,480
Europe	<b>59,169</b>	72,521	–	–
United States	<b>11,973</b>	6,542	–	–
India	<b>33,549</b>	14,966	–	–
Others	<b>5,441</b>	7,661	–	–
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	<b>137,077</b>	127,072	<b>40,112</b>	39,982
	<hr/>	<hr/>	<hr/>	<hr/>

All timing of revenue recognition is at a point in time for the six months ended 30 June 2025 and 2024.

#### 4. OTHER INCOME

	For the six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Bank interest	1,188	1,590
Other income	3,220	85
Government incentive	205	241
Sales of scrap materials	—	240
	<u>4,613</u>	<u>2,156</u>

#### 5. OTHER (LOSS)/GAIN

	For the six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Fair value gain on investment through profit/(loss)	31	(222)
Net exchange (loss)/gain	<u>(2,808)</u>	<u>1,072</u>
	<u>(2,777)</u>	<u>850</u>

#### 6. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Leases interests	66	100
Interest on bank borrowings	<u>490</u>	<u>943</u>
	<u>556</u>	<u>1,043</u>

## 7. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2025	2024
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Current tax:		
Hong Kong Profits Tax	552	815
PRC Enterprise Income Tax	<u>1,170</u>	<u>(232)</u>
	<u><u>1,722</u></u>	<u><u>583</u></u>

Hong Kong Profits Tax has been provided at the rate of 8.25% on assessable profits up to HK\$2,000,000 and 16.5% on any part of assessable profits over HK\$2,000,000 for the six months ended 30 June 2025 and 2024.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the six months ended 30 June 2025 and 2024.

## 8. PROFIT FOR THE PERIOD

The Group's profit for the period has been arrived at after charging the following:

	For the six months ended 30 June	
	2025	2024
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Directors' emoluments	985	934
Cost of inventories sold	107,508	101,197
Depreciation of plant and equipment	1,848	1,799
Depreciation of right-of-use assets	2,257	752
Research and development expenses	6,378	4,943
Staff Costs	<u><u>26,830</u></u>	<u><u>20,358</u></u>

## 9. EARNINGS PER SHARE

	For the six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
Earnings for the period attributable to owners of the Company (HK\$'000)	8,800	10,107
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share ( <i>Note</i> )	<u>200,000,000</u>	<u>200,000,000</u>

*Note:*

No diluted earnings per share is presented for the six months ended 30 June 2025 and 2024 since there were no potential diluted ordinary shares in issue during both periods.

## 10. DIVIDENDS

No interim dividend was paid, declared or proposed for the six months ended 30 June 2025 (30 June 2024: a special interim dividend of HK\$0.15 per ordinary share of the Company with a total amount of HK\$30,000,000 was paid).

## 11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment of approximately HK\$4,235,000 (six months ended 30 June 2024: HK\$7,810,000) and depreciation amounting to approximately HK\$1,848,000 was provided during the period (six months ended 30 June 2024: HK\$1,799,000).

## 12. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

The following is an aged analysis of trade receivables, net of allowance for doubtful debts, presented based on the invoice date at the end of the reporting period:

	30 June 2025	31 December 2024
	HK\$'000	HK\$'000
	(unaudited)	(audited)
0 – 90 days	49,736	56,898
91 to 180 days	4,121	1,546
181 to 365 days	54	7
Over 1 year	83	757
	<u>53,994</u>	<u>59,208</u>



### 13. TRADE AND OTHER PAYABLES AND ACCRUALS

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	<b>30 June 2025 HK\$'000 (unaudited)</b>	<b>31 December 2024 HK\$'000 (audited)</b>
0 – 90 days	<b>54,231</b>	51,566
91 to 180 days	<b>249</b>	133
181 to 365 days	<b>5</b>	15
Over 1 year	<b>25</b>	178
	<b>54,510</b>	51,892

### 14. SHARE CAPITAL

	<b>30 June 2025 HK\$'000 (unaudited)</b>	<b>31 December 2024 HK\$'000 (audited)</b>
Authorised		
1,000,000,000 ordinary shares of HK\$0.01 each	<b>10,000</b>	10,000
Issued and fully paid		
200,000,000 ordinary shares of HK\$0.01 each	<b>2,000</b>	2,000

### 15. CAPITAL COMMITMENT

The Group had no material capital commitment as at 30 June 2025 and approximately HK\$641,000 as at 31 December 2024.

### 16. CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 June 2025 and 31 December 2024.

## 17. RELATED-PARTY TRANSACTIONS

- (a) The Group had the following balances with connected and related parties at the end of the reporting period

	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
<b>Amount due from a related party:</b>		
Sure Win Garment Limited*	1,382	1,113
<b>Amount due to a connected person/related party</b>		
T-Lab Electronics & Plastics (He Yuan) Co., Ltd.**	<u>5,394</u>	<u>2,639</u>

\* The beneficial owner of Sure Win Garment Limited is Mr. Chung Chi Wah, a director of the Company. Mr. Chung Chi Wah has been appointed as executive director with effect from 1 October 2024.

\*\* T-Lab Electronics & Plastics (He Yuan) Co., Ltd is a connected person and was a related party to the Company as Mr. Chung Chi Hang, Larry, a former executive director of the Company, is the beneficial owner of T-Lab Electronics & Plastics (He Yuan) Co. Ltd. Mr. Chung Chi Hang, Larry has resigned as executive director with effect from 1 October 2024.

- (b) The Group entered into the following transactions with related parties during the reporting period:

	For the six months ended 30 June 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Rental paid to a related company		
T-Lab Electronics & Plastics (He Yuan) Co., Ltd	<u>744</u>	<u>744</u>

(c) **Compensation of key management personal:**

The emoluments of Directors and other members of key management for the reporting periods were as follows:

	<b>For six months ended</b>	
	<b>30 June</b>	
	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>(unaudited)</b>	(unaudited)
Salaries and other benefits	<b>1,307</b>	1,225
Retirement benefit contributions	<b>39</b>	38
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	<b>1,346</b>	1,263
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The emoluments of Directors and key management are determined with reference to the performance of individuals and market trends.

**18. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS**

The unaudited condensed consolidated financial statements for the six months ended 30 June 2025 were approved and authorised for issue by the Board on 25 August 2025.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

During the period under review, the Group principally engaged in the design, development, production and sale of transformers, switching mode power supplies, electric healthcare products and other electronic parts and components. The Group sells its products domestically as well as overseas. Customers are mainly manufacturers and trading entities.

Most of the transformers and power supply products were manufactured and sold under the Group's brand name "Keen Ocean", while all electronic parts and components as well as electric healthcare products were sold on an original equipment manufacturer (OEM) basis. Among the products manufactured and sold, transformers remained the Group's flagship products and represented approximately 49.0% of the Group's sales for the six months ended 30 June 2025 (for the six months ended 30 June 2024: approximately 35.7%). The switching mode power supply represented approximately 1.1% of the Group's sales for the six months ended 30 June 2025 (for the six months ended 30 June 2024: approximately 1.6%). The electronic parts and components represented approximately 49.9% of the Group's sales for the six months ended 30 June 2025 (for the six months ended 30 June 2024: approximately 62.7%).

Revenue generated by the Group increased during the period as compared to the corresponding period in the previous year. This was mainly due to the increase in sale price and sale quantities.

Cost of sales increased during the period under review in line with the increase in sales.

The operating margin has increased during the period under review compared with the same period in 2024. This was mainly attributable to the increase in selling price of products and reduction in production waste and overall costs of production during the period under review.

During the period under review, the management of the Group stayed connected with existing customers and closely followed up with the revised delivery schedule in order to maintain and solidify business relationships. The Group continued to place advertisements in renowned industrial magazines. To further promote its products the Group has been attending trade exhibitions, physical marketing events and face to face meetings with existing and potential customers.

## FINANCIAL REVIEW

The Group's revenue increased by approximately HK\$10.0 million, or 7.9%, from approximately HK\$127.1 million for the six months ended 30 June 2024 to approximately HK\$137.1 million for the six months ended 30 June 2025. Such increase was primarily due to the increase in sale price and sale quantities.

Cost of sales increased by approximately HK\$6.3 million, or 6.2%, from approximately HK\$101.2 million for the six months ended 30 June 2024 to approximately HK\$107.5 million for the six months ended 30 June 2025. The increase was in line with the increase in revenue during the period under review.

As a result, the Group's gross profit increased by approximately HK\$3.7 million, or 14.3%, from approximately HK\$25.9 million for the six months ended 30 June 2024 to approximately HK\$29.6 million for the six months ended 30 June 2025, while gross profit margin increased from 20.4% for the six months ended 30 June 2024 to 21.6% for the six months ended 30 June 2025. Such increase was mainly attributable to the strict control of material costs and the increase in selling price of products during the period under the review as compared with the same period in 2024.

Other income increased by approximately HK\$2.4 million or 114.0%, from approximately HK\$2.2 million for the six months ended 30 June 2024 to approximately HK\$4.6 million for the six months ended 30 June 2025. Such increase was mainly attributable to the non-operating income from trading of machinery and production material during the period under review.

Other (loss)/gain decreased by approximately HK\$3.7 million, or 426.7%, from a gain of approximately HK\$0.9 million for the six months ended 30 June 2024 to a loss of approximately HK\$2.8 million for the six months ended 30 June 2025. Such decrease was mainly attributable to the increase in exchange loss during the period under review.

Selling and distribution expenses increased by approximately HK\$1.7 million or 67.1%, from approximately HK\$2.6 million for the six months ended 30 June 2024 to approximately HK\$4.3 million for the six months ended 30 June 2025. Such increase was mainly attributable to inflation and corresponding increase in expenses as a result of the increase in revenue during the period under review.

Administrative expenses increased by approximately HK\$1.4 million, or 9.9%, from approximately HK\$14.6 million for the six months ended 30 June 2024 to approximately HK\$16.0 million for the six months ended 30 June 2025. The increase was mainly attributable to inflation during the period under review.

Finance costs decreased by approximately HK\$0.48 million, or 46.7%, from approximately HK\$1.04 million for the six months ended 30 June 2024 to approximately HK\$0.56 million for the six months ended 30 June 2025. Such decrease was mainly attributable to the decrease in bank loans during the period under review.

Income tax expenses increased by HK\$1.1 million, or 195.4%, from approximately HK\$0.6 million for the six months ended 30 June 2024 to approximately HK\$1.7 million for the six months ended 30 June 2025. Such increase was mainly attributable to the overprovision of the Group's income tax expense in 2023 leading to reduction of the income tax expense provision for 2024 and there was no such reduction for the six month ended 30 June 2025.

As a result of the above, the Group recorded a profit of approximately HK\$8.8 million for the six months ended 30 June 2025 (for the six months ended 30 June 2024: approximately HK\$10.1 million).

## **PROSPECT**

Under global economic challenges, the Group has identified several strategies to overcome these challenges.

Owing to the rising demand of clean energy electronic components, the Group has invested greatly into machines and production lines for the production of inverters which are one of the major component parts in solar or wind energy systems. This paves a good foundation for cooperation with one of our biggest customers in Europe under an OEM basis. We have developed several series of models with this customer, and it is expected that sales will increase in the next few months because of these new models. We also produced transformers for inverters for other customers worldwide. We will continue to search for customers in this field as it is one of the fastest growing market.

The Group has made use of existing technology to develop production lines of inductors for electric vehicle market. Pilot production has been completed in the first half of this year. We expect that more and more customers will approach us for this product.

We have identified a strategic production partner in Vietnam. Trial orders have been placed with this partner for our US customers. This strategic direction will assist to limit the effect of the US tariff and enable us to be more competitive in the US market.

Last but not least, the Group will take all appropriate measures to maximize the efficiency and effectiveness in production processes and to minimize production costs.

## **LIQUIDITY AND FINANCIAL RESOURCES**

During the period under review, the Group's source of funds was primarily from the cash generated from operating activities. The Group also utilised bank borrowings to finance its operations. As at 30 June 2025, the Group had a healthy financial position with net assets amounted to approximately HK\$94.2 million (31 December 2024: approximately HK\$84.7 million). Net current assets stood at approximately HK\$54.1 million (31 December 2024: approximately HK\$44.8 million).

As at 30 June 2025, the shareholders' fund amounted to approximately HK\$94.3 million (31 December 2024: approximately HK\$84.7 million). Current assets amounted to approximately HK\$188.2 million (31 December 2024: approximately HK\$177.7 million), mainly comprising inventories, trade and other receivables and prepayments, amount due from a related party, pledged bank deposits, short-term deposits, and bank and cash balance. Current liabilities amounted to approximately HK\$134.0 million (31 December 2024: approximately HK\$132.9 million), mainly comprising trade and other payables and accruals, contract liabilities, bank borrowings and overdrafts, lease liabilities and current tax liabilities.

As at 30 June 2025, the Group's bank and cash balance amounted to approximately HK\$13.8 million (31 December 2024: approximately HK\$6.1 million). Net asset value per share was HK\$0.47 (31 December 2024: HK\$0.42).

As at 30 June 2025, the gearing ratio of the Group, which is based on the ratio of interest bearing borrowings net of bank and cash balance to total equity, and the Group's gearing ratio was approximately zero as the bank and cash balances can cover the bank loans and overdrafts of the Group (31 December 2024: approximately 0.17). Such decrease was mainly due to (i) the decrease in the bank borrowings; and (ii) increase in bank and cash balances from operations during the period under review.

The Group's source of funds is a combination of cash generated from operating services, bank borrowings and net proceeds from other funds raised from the capital market from time to time.

## **CAPITAL EXPENDITURE**

As at 30 June 2025, the Group's financial capital expenditures were approximately HK\$4.2 million. This amount was primarily due to the addition in plant and equipment. As at 30 June 2024, the Group's financial capital expenditures (from acquired property, plant, and equipment) were approximately HK\$7.8 million. For the year ended 31 December 2024, the Group incurred capital expenditures in respect of property, plant, and equipment additions, amounting to approximately HK\$6.1 million.

## **CAPITAL STRUCTURE**

The Group maintains a prudent funding and treasury policy and the management is responsible for monitoring its funding requirements and performing ongoing liquidity review. As at 30 June 2025, the issued share capital of the Company comprised only ordinary shares. The capital structure of the Group mainly consists of borrowings from bank and equity attributable to owners of the Group, comprising issued share capital and retained earnings respectively. Borrowings from bank were denominated in Hong Kong dollars which were secured by pledged bank deposits and trade receivables of the Group.

## **FOREIGN EXCHANGE EXPOSURE**

The sales of the Group are mainly denominated in US dollars. However, the Group has certain foreign currency sales and purchases transactions denominated in Renminbi and Hong Kong dollars, which may expose the Group to foreign currency risk. The Group currently has no foreign currency hedging policy and the management of the Group monitors the foreign exchange exposure by closely monitoring the movement of foreign currency rates. Nevertheless, the Group will consider hedging significant foreign currency exposure should the need arise.

## **SIGNIFICANT INVESTMENT HELD**

As at 30 June 2025, the Group did not have any significant investment held (31 December 2024: nil).

## **CONTINGENT LIABILITIES**

As at 30 June 2025, the Group did not have any material contingent liabilities (31 December 2024: nil).

## **CAPITAL COMMITMENT**

As at 30 June 2025, the Group did not have any significant capital commitment (31 December 2024: approximately HK\$641,000).

## **EMPLOYEE AND REMUNERATION POLICIES**

As at 30 June 2025, the Group had approximately 604 employees (31 December 2024: approximately 585 employees), including the Directors. Total staff costs excluding Directors' remuneration for the six months ended 30 June 2025 amounted to approximately HK\$26.8 million (for the six months ended 30 June 2024: approximately HK\$20.4 million). Remuneration packages including staff benefits are maintained at a competitive level and reviewed on a periodic basis. Employees' remunerations and related benefits are determined with reference to their performance, qualifications, experience, positions and the performance of the Group. Ongoing training on quality control and production facilities operations is provided to employees, with relevant procedural and operational guidelines formulated.



## CHARGES ON THE GROUP'S ASSETS

The following assets of the Company were pledged at the end of the reporting period for certain banking facilities granted to the Company:

	<b>30 June 2025 HK\$'000 (unaudited)</b>	<b>31 December 2024 HK\$'000 (audited)</b>
Land and buildings	<b>9,699</b>	21,030
Pledged bank deposits	<b>7,573</b>	26,913
Trade receivables	<b>1,993</b>	6,480
	<b>19,265</b>	54,423

## MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the six months ended 30 June 2025, the Group did not have any material acquisitions nor disposals of subsidiaries and affiliated companies.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

In view of the national economic recovery, the Group has surplus cash funds from its business operations. As a result, there is a growing need for treasury management to improve the Group's overall capital efficiency, hence the Group may invest not more than 30% of its cash-in-hand at any material time in short-term and low-risk investments in listed securities in Hong Kong as well as other related investment products offered by banks and other financial institutions subject to certain conditions. Such conditions include, but not limited to, all securities invested by the Group should not exceed an investment period of twelve months; the aggregate amount of funds to be invested in any securities should not exceed the cashflow needs of the Group for the next six months at any material time and detailed descriptions of the securities should be submitted for consideration and prior approval at the meetings of the Board. Funding for these investments will come from idle funds and will not impact the Group's operational liquidity and fund security.

Other than the above, the Group did not have any plans for material investments and capital assets.

## OTHER INFORMATION

### SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme (the “**Share Option Scheme**”) on 2 February 2016 for the purpose of motivating the Eligible Participants (as defined below) to optimize their performance efficiency for the benefit of the Group and attracting and retaining or otherwise maintaining on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group. “**Eligible Participants**” refer to (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; or (ii) any directors (including executive, non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries; or (iii) any advisers, consultants, suppliers, customers, agents and related entities to the Company or any of its subsidiaries.

The maximum number of shares of the Company (the “**Shares**”) in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue immediately following completion of the placing of Shares in 2016 (as described in the Company’s prospectus dated 17 February 2016), being 20,000,000 Shares. The maximum number of Shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company to each Eligible Participant (including exercised and outstanding options) in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as of the date of grant.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. There is no minimum period for which an option must be held before it can be exercised. However, a grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised. Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant. The exercise price of the options is determined by the Board in its absolute discretion and shall not be less than whichever is the highest of:

- (a) the nominal value of a Share;
- (b) the official closing price of the Shares as stated in the Stock Exchange’s daily quotation sheet on the date of grant of the relevant option; and
- (c) the average of the official closing prices of the Shares as stated in the Stock Exchange’s daily quotation sheet for the five business days immediately preceding the date of grant of the relevant option.

The Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption, after which no further options will be granted or offered but the provisions of the Share Option Scheme shall remain in force and effect in all other respects. All options granted prior to the termination of the Share Option Scheme and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme.

No share options were granted, exercised, vested, cancelled or lapsed under the Share Option Scheme during the period from 1 January 2025 to 30 June 2025 and there were no outstanding share options under the Share Option Scheme as at 30 June 2025 and up to the date of this announcement. Given that no share option has been granted under the Share Option Scheme during the reporting period, it is not applicable for the Company to set out the number of shares that may be issued in respect of the share options granted under such scheme during the reporting period divided by the weighted average number of shares of the relevant class in issue for the reporting period. As at 30 June 2025, the Company had 20,000,000 share options not yet issued under the Share Option Scheme, which represented approximately 10% of the Company's shares as at 30 June 2025. The total number of share options available for grant under the Share Option Scheme as of 1 January 2025 and 30 June 2025 were both 20,000,000. As at the date of this announcement, the remaining life of the Share Option Scheme was about 5 months.

#### **INTERIM DIVIDEND**

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (for the six months ended 30 June 2024: a special interim dividend of HK\$0.15 per ordinary share of the Company with a total amount of HK\$30,000,000 was paid).

#### **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

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

#### **EVENTS AFTER THE REPORTING PERIOD**

The Group had no significant event after the end of the reporting period and up to the approval date of this announcement.

#### **CORPORATE GOVERNANCE PRACTICES**

The Directors consider that incorporating the core elements of good corporate governance in the management structure and internal control procedures of the Group would help balance the interest of the shareholders, customers and employees of the Group. The Board has adopted the principles and the code provisions of the Corporate Governance Code contained in Appendix C1 of the GEM Listing Rules (the “**CG Code**”) to ensure that the Group's business activities and decision making processes are regulated in a proper and prudent manner.

During the period from 1 January 2025 to 30 June 2025, the Company has complied with the code provisions set out in Part 2 of the CG Code.

## **SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company, having made specific enquiry of all Directors, is not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the reporting period.

## **COMPETITION AND CONFLICT OF INTERESTS**

As far as the Directors are aware, none of the Directors or the controlling shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) had any business or interests which competes or may compete, either directly or indirectly, with the business of the Group or had or may have any other conflict of interests with the Group during the six months ended 30 June 2025.

## **AUDIT COMMITTEE**

The Board has established an audit committee (the “**Audit Committee**”) on 2 February 2016, which operates under terms of reference approved by the Board. The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Cheung Yee Tak, Jonathan (the chairman of the Audit Committee), Ms. Fu Jingyan and Mr. Lam Chon Loi. The Audit Committee has reviewed the unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2025. There is no disagreement by the Audit Committee with the accounting treatment adopted by the Company.

## **RISK MANAGEMENT COMMITTEE**

The risk management committee of the Board (the “**Risk Management Committee**”) was established on 2 February 2016, with specific written terms of reference for assisting the Board in overseeing (i) risk governance structure; and (ii) hedging policies including its activities in forward purchases of copper and entering into the relevant contracts. The Risk Management Committee currently comprises a total of three members, being two executive Directors, namely Mr. Chung Tin Shing (the chairman of the Risk Management Committee) and Mr. Wong Shek Fai, Johnson, and one independent non-executive Director, namely Mr. Lam Chon Loi. Following the adoption of a new set of hedging policy on 29 September 2021, the Risk Management Committee is responsible for reviewing and approving the hedging policies as formulated by the hedging team of the Company and reporting to the Board as to whether the hedging policies have been duly followed by the management of the Company.

**PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.keenocan.com.hk](http://www.keenocan.com.hk)). The interim report of the Company for the six months ended 30 June 2025 containing all the information required by the GEM Listing Rules will be dispatched (if necessary) to the Company's shareholders and published on the above websites in due course.

By order of the Board  
**Keen Ocean International Holding Limited**  
**Chung Chi Wah**  
*Chairman*

Hong Kong, 25 August 2025

*As at the date of this announcement, the executive Directors are Mr. Chung Chi Wah, Mr. Chung Tin Shing and Mr. Wong Shek Fai, Johnson; and the independent non-executive Directors are Mr. Cheung Yee Tak, Jonathan, Mr. Lam Chon Loi and Ms. Fu Jingyan.*

*This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting and will also be published on the Company's website at [www.keenocan.com.hk](http://www.keenocan.com.hk).*