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Yik Wo International Holdings Limited

易和國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8659)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (“**Board**”) of directors (“**Directors**”) of Yik Wo International Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended 30 June 2025. This announcement, containing the full text of the 2025 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcements of interim results.

By order of the Board

Yik Wo International Holdings Limited

Xu Youjiang

Chairman and Executive Director

Hong Kong, 28 August 2025

As at the date of this announcement, the executive Directors are Mr. Xu Youjiang, Ms. Xu Liping and Mr. Zhang Yuansheng; and the independent non-executive Directors are Mr. Chang Eric Jackson, Mr. Liu Dajin and Mr. Yang Jie.

This announcement, for which the Directors of the Company 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 of Hong Kong Limited for the purpose of giving information with regard to the Company. 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.

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at www.yikwo.cn.

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2025

Interim Report

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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

*This report, for which the directors (the “**Director(s)**”) of Yik Wo International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) 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 Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report 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 report misleading.*

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Xu Youjiang (*Chairman*)
Ms. Xu Liping
Mr. Zhang Yuansheng

Independent non-executive Directors

Mr. Chang Eric Jackson
Mr. Liu Dajin
Mr. Yang Jie (appointed on 26 June 2025)
Mr. Deng Zhihuang (resigned on 26 June 2025)

COMPLIANCE OFFICER

Mr. Xu Youjiang

AUTHORISED REPRESENTATIVES (FOR THE PURPOSES OF THE GEM LISTING RULES)

Ms. Lui Mei Ka
Mr. Xu Youjiang

COMPANY SECRETARY

Ms. Lui Mei Ka

AUDIT COMMITTEE

Mr. Chang Eric Jackson (*Chairman*)
Mr. Liu Dajin
Mr. Yang Jie (appointed on 26 June 2025)
Mr. Deng Zhihuang (resigned on 26 June 2025)

REMUNERATION COMMITTEE

Mr. Yang Jie (*Chairman*) (appointed on 26 June 2025)
Mr. Chang Eric Jackson
Mr. Liu Dajin
Mr. Zhang Yuansheng
Mr. Deng Zhihuang (resigned on 26 June 2025)

NOMINATION COMMITTEE

Mr. Liu Dajin (*Chairman*)
Mr. Yang Jie (appointed on 26 June 2025)
Mr. Chang Eric Jackson
Mr. Xu Youjiang
Mr. Deng Zhihuang (resigned on 26 June 2025)

RISK MANAGEMENT COMMITTEE

Mr. Xu Youjiang (*Chairman*)
Ms. Xu Liping
Mr. Zhang Yuansheng
Mr. Liu Dajin

AUDITOR

Grant Thornton Hong Kong Limited
11th Floor
Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

CORPORATE INFORMATION

PRINCIPAL BANKER

Agricultural Bank of China
Jinjiang Longhu Branch
Baikai Jingbianzhong Complex
Fenglin Industrial Zone
Longhu Town
Jinjiang City
Fujian Province
China

REGISTERED OFFICE IN CAYMAN ISLANDS

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Wukeng Industrial Zone
Longhu Town
Jinjiang City
Fujian Province
China

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 6, 3/F., Lladro Centre
72 Hoi Yuen Road
Kwun Tong
Kowloon
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

WEBSITE ADDRESS

www.yikwo.cn

STOCK CODE

8659

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group is principally engaged in the design and development, manufacturing and sales of disposable plastic food storage containers and to a lesser extent, the development and operation of mobile app and e-commerce platform in the People's Republic of China (the "PRC"). Mr. Xu Youjiang ("**Mr. Xu**"), the chairman and executive director of the Company, is responsible for the overall management, strategic development and major decision making of the Group.

The Group facilitates production of a comprehensive range of disposable plastic food storage containers, including the design and production of moulds, which are sold to customers in the PRC.

For the six months ended 30 June 2025, the revenue of the Group recorded a decrease primarily due to the sluggish market demand for the Group's disposable plastic food storage, following a period of significant revenue growth for such product over the past two years.

Looking forward, the Directors consider that the Group will continue to be affected by external opportunities and challenges such as the popularity of environmentally friendly disposable plastic food storage containers, advances in production technologies and competition from substitutes, such as disposable food storage containers in the market made of other materials. The Directors are of the view that maintaining product safety and focusing on environmental protection, brand promotion, expansion of sales channels and product customisation remain to be the key drivers for the growth of the disposable plastic storage container business. With the Group's experienced management team and reputation in the market, the Directors consider that the Group is well-positioned to compete against its competitors under such future challenges that are commonly faced by all competitors, and the Group will continue to strengthen its market position in the industry and expand its market share by the implementation of the Group's business plans through utilisation of the Group's cash and cash equivalents and cash generated from operating activities.

In view of the rapidly growing trend over the past few years of the film industry and enhancement of regulatory environment and favourable policies in the PRC, the Directors believe that the investment in film projects will enable it to leverage the opportunities that the COVID-19 pandemic in the PRC has gradually eased and popular entertainment needs will rebound, and seize the opportunity in the emerging film industry. The Group entered into the equity sale and purchase agreements dated 10 September 2021 and supplemental agreements (the "**Supplemental Agreements**") dated 20 January 2022, to acquire 100% equity interest of June Pictures & Media Limited ("**June Pictures**") with total consideration RMB20,571,430. This acquisition was completed on 27 April 2022. The Directors believe that this investment will bring considerable income to the Group and is a suitable investment, which will also expand the business scope of the Group.

In addition, the e-commerce market in the PRC has continued to grow over the past few years. The Group acquired 100% interest in Beijing Youpinhui Trading Co., Ltd.* (北京優拼匯商貿有限公司) ("**Beijing Youpinhui**") through acquisition of Youpinhui Enterprise Limited ("**Youpinhui Enterprise**"), which held Beijing Youpinhui on 1 June 2022. Beijing Youpinhui is engaged in the development and operation of mobile app and e-commerce platform, enabling its users to purchase daily necessities and agricultural products via the mobile app. In July 2022, the Group launched a new e-commerce APP platform Yihe Tianxia* (易和天下), which is an online shopping platform covering daily necessities, beauty and skin care products, household appliances, domestic special agricultural products and other products.

* For identification purposes only

MANAGEMENT DISCUSSION AND ANALYSIS

On 21 January 2025, the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Mr. Wei Guochun (魏國春) in relation to a possible acquisition (the “**Possible Acquisition**”) of the 30% equity interest in Beijing Zhenpin Information Technology Co. Ltd.* (北京箴品網路科技有限公司) (“**Zhenpin Information**”) by the Group. Zhenpin Information is the strategic supplier of Beijing Yihe Tianxia Network Technology Co., Ltd.* (北京易和天下網絡科技有限公司), a subsidiary of the Company running the APP platform Yihe Tianxia. According to the information provided by Zhenpin Information, Zhenpin Information is a company incorporated in the PRC on 11 May 2015 with limited liability, and is principally engaged in the wholesales of characteristic agricultural products, daily necessities, beauty and skin care products, household appliances and other products. Zhenpin Information currently cooperates with over 400 brands and provides over 100,000 products. Zhenpin Information has currently 24 community stores in the PRC. The Directors consider that the entering into the MOU is in the interest of the Group and its shareholders as a whole through the Possible Acquisition which is upstream business of the Group, if materialised, are expected to enlarge the income source of the Group and stabilise the supply chain of the Group’s ecommerce segment. As at the date of this report, no legally binding agreement was entered in relation to the MOU. For details of the Possible Acquisition, please refer to the announcement of the Company dated 21 January 2025.

The Group will continue to develop commercial business, continuously optimise customer experience, broaden its revenue stream and ultimately maximise shareholder returns.

FINANCIAL REVIEW

Revenue

The revenue decreased from approximately RMB155.8 million for the six months ended 30 June 2024 to approximately RMB109.5 million for the six months ended 30 June 2025, representing a decrease of approximately RMB46.3 million or approximately 29.7%. Such decrease was mainly due to the decrease in sales orders for the Group’s disposable plastic food storage containers and the decrease in revenue from our e-commerce segment for the six months ended 30 June 2025.

Cost of sales

The cost of sales decreased from approximately RMB109.6 million for the six months ended 30 June 2024 to approximately RMB78.3 million for the six months ended 30 June 2025, representing a decrease of approximately RMB31.3 million or approximately 28.6%. Such decrease was in line with the decrease in revenue.

Gross profit

Gross profit of the Group decreased by approximately RMB15.0 million or approximately 32.5% from approximately RMB46.2 million for the six months ended 30 June 2024 to approximately RMB31.2 million for the six months ended 30 June 2025. The overall gross profit margin decreased from approximately 29.6% for the six months ended 30 June 2024 to approximately 28.5% for the six months ended 30 June 2025.

Selling expenses

Selling expenses for the six months ended 30 June 2025 amounted to approximately RMB6.2 million (six months ended 30 June 2024: RMB8.9 million), representing a decrease of approximately 30.3%. During the six months ended 30 June 2025, the strength of promotion was reduced and less selling and distribution expenses were incurred.

MANAGEMENT DISCUSSION AND ANALYSIS

Administrative and other operating expenses

Administrative and other operating expenses of the Group decreased by approximately RMB0.2 million or approximately 1.6% from approximately RMB12.7 million for the six months ended 30 June 2024 to approximately RMB12.5 million for the six months ended 30 June 2025.

Administrative and other operating expenses primarily consist of staff costs, research and development cost, amortisation expense on intangible assets, legal and professional service fees and other costs incurred for the Group's daily operation. The decrease was primarily attributable to the decrease in staff costs during the six months ended 30 June 2025.

Finance costs

During the six months ended 30 June 2025, finance costs for the Group was approximately RMB86,000 (30 June 2024: RMB140,000). It was mainly due to the lease arrangement in respect of the machinery and equipment at the end of lease term.

Income tax expense

Income tax expense for the Group decreased by approximately RMB2.9 million or 41.4% from approximately RMB7.0 million for the six months ended 30 June 2024 to approximately RMB4.1 million for the six months ended 30 June 2025. Income tax expense was solely arisen from provision for the PRC enterprise income tax at applicable tax rate of 25% on the assessable profits of the PRC subsidiaries.

Profit for the period

Profit for the period decreased by approximately RMB9.8 million or approximately 52.1% from approximately RMB18.8 million for the six months ended 30 June 2024 to approximately RMB9.0 million for the six months ended 30 June 2025. The decrease in net profit was mainly due to decrease in gross profit of approximately RMB15.0 million compared to the six months ended 30 June 2024.

Listing on GEM and proposed transfer of listing

The shares of the Company were listed on GEM of the Stock Exchange on 13 July 2020 with a total of 150,000,000 Shares issued at HK\$0.4 each by way of share offer, raising net proceeds of HK\$22.8 million (approximately RMB20.4 million) after deducting underwriting commissions and all related expenses.

On 23 February 2023, the Company has appointed professional parties to proceed with the preparation of the Company's proposed transfer of the listing of the Company's shares from GEM to the Main Board of the Stock Exchange. Formal application has been made to the Stock Exchange on 31 May 2023 (the "**Application**"). For detail, please refer to the Company's announcement dated 31 May 2023. As six months had passed since the submission of the Application, the Application has automatically lapsed.

Following the introduction of a streamlined transfer mechanism to enable eligible GEM issuers to transfer to the Main Board under Chapter 9B of the Main Board Listing Rules by the Stock Exchange, on 9 May 2024, a formal application was made by the Company to the Stock Exchange for the listing of and permission to deal in the Shares on the Main Board by way of the Transfer of Listing pursuant to Chapter 9B of the Main Board Listing Rules. For details, please refer to the Company's announcement dated 9 May 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND FINANCIAL RESOURCES

The Group's net current assets increased from approximately RMB247.7 million as at 31 December 2024 to approximately RMB261.5 million as at 30 June 2025 primarily due to the decrease in trade and other payables as at 30 June 2025.

The current ratio increased from approximately 6.1 as at 31 December 2024 to approximately 8.7 as at 30 June 2025.

The gearing ratio is calculated based on debts (sum of trade and other payables, and lease liabilities) divided by total equity as at the respective dates and multiplied by 100%. The gearing ratio decreased from approximately 16.1% as at 31 December 2024 to approximately 11.5% as at 30 June 2025.

Cash position

At 30 June 2025, the bank balances and cash of the Group were approximately RMB213.9 million (31 December 2024: approximately RMB206.1 million). The increase was mainly due to the net cash generated from operating activities.

Borrowings

As at 30 June 2025 and 31 December 2024, the Group had no borrowings.

Lease liabilities

As at 30 June 2025, the Group had lease liabilities of approximately RMB2.8 million (31 December 2024: RMB4.2 million), which are to be repaid based on the agreed repayment schedule ranging from 3 to 20 years as set out in the agreements. For details of the lease liabilities, please refer to note 14 to the interim financial report.

CAPITAL STRUCTURE

The shares of the Company were successfully listed on GEM of the Stock Exchange on 13 July 2020. There has been no material change in the capital structure of the Group since the listing of the shares of the Company on GEM of the Stock Exchange to 30 June 2025 and up to the date of this report. The share capital of the Group only comprises of ordinary shares.

As at 30 June 2025, the Group had consideration payable (included in trade and other payables) of approximately RMB6.2 million, which was interest-free, denominated in Renminbi and repayable on demand upon the date when the film is publicly released in the cinemas in the PRC. The consideration payable represented the promissory notes issued for acquisitions of 100% of equity interest of June Pictures.

As at 30 June 2025, the Company's issued share capital was approximately HK\$7.5 million and the number of its issued ordinary shares was 748,482,760 of HK\$0.01 each.

Details of the movements during the year ended 31 December 2024 and six months ended 30 June 2025 in the Company's share capital are set out in note 21 to the interim financial report.

SEGMENTAL INFORMATION

The Directors regard the Group had two operation segments, being (i) design, development, manufacturing and sales of disposable food storage containers and (ii) operation of mobile app and e-commerce platform.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 30 June 2025, the Group did not have plans for material investments and capital assets.

MANAGEMENT DISCUSSION AND ANALYSIS

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

During the six months ended 30 June 2025, the Group did not make any significant investments, acquisitions or disposal during the period ended 30 June 2025 which would constitute a discloseable transaction under GEM Listing Rules.

CHARGES ON GROUP ASSETS

As at 30 June 2025, the Group did not have any charges on its assets (31 December 2024: Nil).

CONTINGENT LIABILITIES

The Group did not have any contingent liabilities as at 30 June 2025 (31 December 2024: Nil).

EXPOSURE TO EXCHANGE RATE FLUCTUATION

The Group operated mainly in the PRC with most of the Group's transactions settled in Renminbi. As such, the Group did not have significant exposure to foreign exchange risk during the year. The Group did not use any financial instruments for hedging purpose during the six months ended 30 June 2025.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group employed a total of 192 employees (31 December 2024: 203 employees). The staff costs, including Directors' emoluments, of the Group were approximately RMB9.6 million for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately RMB9.7 million). Remuneration is determined with reference to a fixed salary and the Group utilises an appraisal system for the employees, which is based on conducting salary reviews and thereby making promotion decisions.

MANAGEMENT DISCUSSION AND ANALYSIS

DISCLOSURE OF INTERESTS

A. Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2025, the interests or short positions of the Directors, chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long/short Position in the Company's Shares

Name of Director	Capacity/Nature of interest	Number and class of securities	Long/short position	Approximate percentage of shareholding in the Company
Mr. Xu	Interest in a controlled corporation ^(Note 1) Beneficial Owner	301,500,000 ordinary shares	Long	40.28%
		74,482,760 ordinary shares	Long	9.95%
		375,982,760 ordinary shares		50.23%
Ms. Xu Liping ("Ms. Xu")	Interest of spouse ^(Note 2)	375,982,760 ordinary shares	Long	50.23%

Notes:

1. Mr. Xu holds the entire issued share capital of Prize Investment Limited. Accordingly, Mr. Xu is deemed to be interested in the Shares held by Prize Investment Limited under the SFO.
2. Ms. Xu Liping is the spouse of Mr. Xu and is therefore deemed to be interested in the Shares in which Mr. Xu is interested under the SFO.

MANAGEMENT DISCUSSION AND ANALYSIS

B. Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at the 30 June 2025, the interests and short positions of the person (other than the Directors or chief executive of the Company) or company in the Shares, underlying Shares and debentures of the Company which was required to be recorded in the register required to be kept under Section 336 of the SFO were as follows:

Name	Capacity	Number and class of securities	Long/short position	Approximate percentage of shareholding in the Company
Prize Investment Limited	Beneficial owner	301,500,000 ordinary shares	Long	40.28%
Mr. Xu	Beneficial owner	74,482,760 ordinary shares	Long	9.95%
		375,982,760 ordinary shares	Long	50.23%
Merit Winner Limited ("Merit Winner")	Beneficial owner	67,500,000 ordinary shares	Long	9.02%
Mr. Hui Man Kit ("Mr. Hui")	Interest of a controlled corporation ^(Note 1)	67,500,000 ordinary shares	Long	9.02%
Ms. Hui Mei Nga	Interest of spouse ^(Note 2)	67,500,000 ordinary shares	Long	9.02%
Youpinhui Investment	Beneficial owner	64,000,000 ordinary shares	Long	8.55%
Mr. Hu Kun	Interest of a controlled corporation ^(Note 3)	64,000,000 ordinary shares	Long	8.55%

Notes:

1. The entire issued share capital of Merit Winner was held by Mr. Hui. Accordingly, Mr. Hui is deemed to be interested in the Shares held by Merit Winner under the SFO.
2. Ms. Hui Mei Nga is the spouse of Mr. Hui and is therefore deemed to be interested in the Shares in which Mr. Hui is interested under the SFO.
3. The entire issued share capital of Youpinhui Investment was held by Mr. Hu Kun. Accordingly, Mr. Hu Kun is deemed to be interested in the Shares held by Youpinhui Investment under the SFO.

MANAGEMENT DISCUSSION AND ANALYSIS

Same as disclosed above, as at the date of this report and so far as is known to the Directors, no person, other than the Directors and chief executive of the Company whose interests are set out in the section "A. Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" and "B. Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had notified the Company of an interest or short position in the Shares or underlying shares and/or the debentures of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

COMPETING AND CONFLICTS OF INTERESTS

The Directors are not aware of any business or interest of the Directors nor the controlling shareholder of the Company nor any of their respective associates (as defined in the GEM Listing Rules) that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group during the six months ended 30 June 2025.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2025 (including sale of treasury shares, if any).

CORPORATE GOVERNANCE CODE

Ms. Xu is the chief executive officer of the Group, while Mr. Xu is the chairman. The roles of the chairman and chief executive are separated and performed by different individuals.

During the six months ended 30 June 2025, the Company has complied with the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the GEM Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standards of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiries of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors throughout the six months ended 30 June 2025.

DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (2024: RMB Nil).

SHARE OPTION SCHEME

The Company did not have share option scheme as at 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2025 and up to the date of this report.

CHANGE IN DIRECTORS' INFORMATION

Mr. Yang Jie has been appointed as an independent non-executive Director, chairman of the remuneration Committee and a member of each of the nomination committee and the audit committee of the Board with effect from 26 June 2025. For his information, please refer to the announcement of the Company dated 26 June 2025.

Since the date of the annual report of the Company for the year ended 31 December 2024 and up to the date of this report, save as disclosed above, there were no substantial changes to the Directors' information required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rule.

AUDIT COMMITTEE

The Company established an audit committee ("**Audit Committee**") with its written terms of reference in compliance with the GEM Listing Rules, in accordance with provisions set out in the CG Code which are available on both websites of the Stock Exchange and the Company. The primary duties of the Audit Committee are mainly (i) to review and supervise the financial reporting process and to oversee the audit process of the Group; (ii) to oversee internal control procedures and corporate governance of the Group; (iii) to supervise internal control systems of the Group; and (iv) to monitor any continuing connected transactions. The Audit Committee consists of three members, namely Mr. Chang Eric Jackson, Mr. Liu Dajin and Mr. Yang Jie, all being independent non-executive Directors of the Company. Mr. Chang Eric Jackson currently serves as the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025.

By order of the Board
Yik Wo International Holdings Limited
Xu Youjiang
Chairman and Executive Director

Hong Kong, 28 August 2025

As at the date of this report, the executive Directors are Mr. Xu Youjiang, Ms. Xu Liping and Mr. Zhang Yuansheng, and the independent non-executive Directors are Mr. Chang Eric Jackson, Mr. Liu Dajin, and Mr. Yang Jie.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Revenue	6	109,517	155,828
Costs of sales		(78,326)	(109,627)
Gross profit		31,191	46,201
Other income	7	639	1,280
Selling expenses		(6,220)	(8,850)
Administrative and other operating expenses		(12,471)	(12,734)
Profit from operations		13,139	25,897
Finance costs	8	(86)	(140)
Profit before income tax	9	13,053	25,757
Income tax expense	10	(4,102)	(6,992)
Profit for the period		8,951	18,765
Other comprehensive income, net of tax:			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operation recognised		2	37
Total comprehensive income for the period		8,953	18,802
Earnings per share attributable to equity holders of the Company			
Basic and diluted	12	RMB1.20 cents	RMB2.51 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	13	35,374	39,244
Intangible assets	15	2,399	3,703
		37,773	42,947
Current assets			
Financial assets at fair value through profit or loss ("FVTPL")	16	20,416	20,416
Inventories	17	9,628	9,106
Trade and other receivables	18	51,781	60,635
Cash and cash equivalents	19	213,863	206,143
		295,688	296,300
Current liabilities			
Trade and other payables	20	31,295	43,155
Income tax payable		1,980	3,406
Lease liabilities	14	867	2,032
		34,142	48,593
Net current assets		261,546	247,707
Total assets less current liabilities		299,319	290,654
Non-current liabilities			
Lease liabilities	14	1,921	2,209
Net assets		297,398	288,445
EQUITY			
Share capital	21	6,667	6,667
Reserves		290,731	281,778
Total Equity		297,398	288,445

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Share capital RMB'000 (unaudited)	Share premium* RMB'000 (unaudited)	Other reserve* RMB'000 (unaudited)	Translation reserve* RMB'000 (unaudited)	Retained profits* RMB'000 (unaudited)	Total RMB'000 (unaudited)
As at 1 January 2024	6,667	83,348	26,091	(408)	145,481	261,179
Profit for the period	—	—	—	—	18,765	18,765
Other comprehensive income:						
— Exchange differences on translation of foreign operation recognised	—	—	—	37	—	37
Total comprehensive income for the period	—	—	—	37	18,765	18,802
As at 30 June 2024 (unaudited)	6,667	83,348	26,091	(371)	164,246	279,981
As at 1 January 2025	6,667	83,348	26,091	(356)	172,695	288,445
Profit for the period	—	—	—	—	8,951	8,951
Other comprehensive income:						
— Exchange differences on translation of foreign operation recognised	—	—	—	2	—	2
Total comprehensive income for the period	—	—	—	2	8,951	8,953
As at 30 June 2025 (unaudited)	6,667	83,348	26,091	(354)	181,646	297,398

* The reserves accounts comprise the Group's reserves of RMB290,731,000 in the condensed consolidated statement of financial position as at 30 June 2025 (as at 31 December 2024: RMB281,778,000).

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
<i>Net cash generated from operating activities</i>	11,783	7,617
Cash flows used in investing activities		
Interest received	94	155
Purchase of property, plant and equipment	(2,625)	(2,555)
<i>Net cash used in investing activities</i>	(2,531)	(2,400)
Cash flows used in financing activities		
Payment of lease liabilities	(1,539)	(1,697)
<i>Net cash used in financing activities</i>	(1,539)	(1,697)
Net increase in cash and cash equivalents	7,713	3,520
Cash and cash equivalents at the beginning of the period	206,143	165,252
Effect of foreign exchange rate changes	7	18
Cash and cash equivalents at the end of the period	213,863	168,790

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

1. GENERAL INFORMATION

Yik Wo International Holdings Limited (the **"Company"**, together with its subsidiaries, the **"Group"**) was incorporated as an exempted company in the Cayman Islands on 13 December 2018 with limited liability. The addresses of the Company's registered office and principal place of business are PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and Wukeng Industrial Zone, Longhu Town, Jinjiang City, Fujian Province, People's Republic of China (the **"PRC"**), respectively.

The Company is an investment holding company and its subsidiaries are principally engaged in the design and development, manufacturing and sales of disposable plastic food storage containers and the sales of daily necessities and other household goods on e-commerce platform in the PRC.

The ultimate controlling party of the Group is Mr. Xu Youjiang (**"Mr. Xu"** or the **"Controlling Shareholder"**).

2. BASIS OF PREPARATION

The condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited and Hong Kong Accounting Standard (**"HKAS"**) 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the **"HKICPA"**). The condensed consolidated interim financial information does not include all of the information required in annual consolidated financial statements and should be read in conjunction with the annual report of the Group for the year ended 31 December 2024.

The condensed consolidated interim financial information is unaudited.

The condensed consolidated interim financial information is presented in thousands of units of Renminbi (**"RMB'000"**), except when otherwise indicated, which was approved for issue by the Board of Directors on 28 August 2025.

3. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with the accounting policies adopted in the Group's consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following new and amended Hong Kong Financial Reporting Standards (**"HKFRSs"**) which are effective as of 1 January 2025.

Adoption of new and amended HKFRSs

The Group has adopted the following new and amended HKFRSs that have become effective for accounting period beginning on 1 January 2025 and are relevant to the Group:

Amendments to HKAS 21	Lack of Exchangeability
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NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Adoption of new and amended HKFRSs *(continued)*

The adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

The Group has not applied any new standards, interpretations or amendments to standards and interpretations that is not yet effective for the current accounting period.

4. ESTIMATES AND JUDGEMENTS

The preparation of condensed consolidated interim financial information requires management to make accounting judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. 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 of the Group for the year ended 31 December 2024.

5. SEGMENT INFORMATION

The executive directors of the Company, being the chief operating decision maker (the "**CODM**"), have identified the Group's two major product and service lines as operating segments.

These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

5. SEGMENT INFORMATION *(continued)*

The following is an analysis of the Group's revenue and results by operating and reportable segments:

	Six months ended 30 June 2025		
	Disposable plastic food storage containers RMB'000 (unaudited)	E-commerce RMB'000 (unaudited)	Total RMB'000 (unaudited)
Revenue from external customers	108,278	1,239	109,517
Segment results	15,984	(2,013)	13,971
Unallocated expenses			(918)
Profit before income tax			13,053
Income tax expense			(4,102)
Profit for the period			8,951

	Six months ended 30 June 2024		
	Disposable plastic food storage containers RMB'000 (unaudited)	E-commerce RMB'000 (unaudited)	Total RMB'000 (unaudited)
Revenue from external customers	143,720	12,108	155,828
Segment results	27,236	1,123	28,359
Unallocated expenses			(2,602)
Profit before income tax			25,757
Income tax expense			(6,992)
Profit for the period			18,765

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

5. SEGMENT INFORMATION *(continued)*

	As at 30 June 2025			
	Disposable plastic food storage containers RMB'000 (unaudited)	E-commerce RMB'000 (unaudited)	Unallocated RMB'000 (unaudited)	Total RMB'000 (unaudited)
Reportable segment assets	306,126	8,272	19,063	333,461
Reportable segment liabilities	23,120	4,971	7,972	36,063
	As at 31 December 2024			
	Disposable plastic food storage containers RMB'000 (unaudited)	E-commerce RMB'000 (unaudited)	Unallocated RMB'000 (unaudited)	Total RMB'000 (unaudited)
Reportable segment assets	310,394	8,386	20,467	339,247
Reportable segment liabilities	39,270	4,935	6,597	50,802

6. REVENUE

The Group's principal activities are disclosed in note 1 to the condensed consolidated interim financial statements.

Revenue of the Group is the revenue from these activities and represents the net invoiced value of goods sold.

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

6. REVENUE (continued)

Disaggregation of revenue from contracts with customers

The Group's derives revenue from sales of products in the following brand and nature:

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Brand:		
Products under "JAZZIT" brand	97,644	133,038
Non-branded products	10,634	10,682
Disposable plastic food storage containers	108,278	143,720
Non-branded e-commerce: daily necessities and other household goods	1,239	12,108
	109,517	155,828
Nature:		
Regular products	67,570	123,119
Customised products	39,740	18,904
Others	968	1,697
Disposable plastic food storage containers	108,278	143,720
Non-branded e-commerce: daily necessities and other household goods	1,239	12,108
	109,517	155,828

Regular products represent products with more simplistic design and features which are standardised and commonly used and available in the market. Customised products are the ones with enhanced design features and higher degree of functionality, which generally allow customers to store various kinds of food and beverage with multi-compartment disposable plastic food storage containers.

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

6. REVENUE *(continued)*

Geographical information

The Group's revenue was entirely derived in the PRC for the six month's ended 30 June 2025 and 2024.

The Group's non-current assets are all located in the PRC.

7. OTHER INCOME

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Bank interest income	94	155
Interest income (Note 16)	514	514
Others	31	611
	639	1,280

8. FINANCE COSTS

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Interest expense for lease arrangements	86	140

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

9. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Depreciation		
— Owned used	5,122	5,934
— Held under leases	1,009	1,113
Amortisation of intangible assets included in administrative and other operating expenses	1,304	1,533
Cost of inventories recognised as an expense	66,537	86,711
Research and development cost (including staff costs)	5,461	4,960
Loss on disposals of property, plant and equipment	364	31
Transfer of listing and related expenses	1,371	983
Staff costs (including directors' emoluments)		
— Salaries, allowances and other benefits	8,095	8,809
— Contributions to defined contribution retirement plans	1,482	860
	9,577	9,669

10. INCOME TAX EXPENSE

No provision for profits tax has been provided by the Company as the Company had no assessable profits subject to taxation in any jurisdiction. No provision for Hong Kong profits tax has been provided as the Group had no assessable profits arising from Hong Kong during the six months ended 30 June 2025 and 2024.

The provision for the PRC enterprise income tax has been provided at the applicable tax rate of 25% (2024: 25%) on the assessable profits of the PRC subsidiaries.

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Current tax		
Provision for PRC enterprise income tax	4,102	6,992

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

11. DIVIDENDS

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: nil).

12. EARNINGS PER SHARE

The basic earnings per share is calculated based on the profit for the period attributable to equity holders of the Company and the weighted average number of ordinary shares.

	Six months ended 30 June	
	2025 (unaudited)	2024 (unaudited)
Earnings: Profit for the period attributable to equity holders of the Company for purpose of basic earnings per share (RMB'000)	8,951	18,765
Number of shares: Number of ordinary shares for the purpose of basic earnings per share (in thousand)	748,483	748,483

The diluted earnings per share equal to basic earnings per share. No adjustment has been made to the basic earnings per share amounts presented for the both periods as there was no potential ordinary share in issue.

13. PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group incurred approximately RMB2,625,000 (six months ended 30 June 2024: RMB2,555,000) on the acquisition of property, plant and equipment. In addition, the Group disposed of certain plant and equipment with an aggregate carrying amount of RMB364,000 (six months ended 30 June 2024: RMB31,000) for proceeds of nil (six months ended 30 June 2024: nil), resulting in a loss of disposal of RMB364,000 (six months ended 30 June 2024: RMB31,000).

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

14. LEASE LIABILITIES

Lease liabilities are presented in the condensed consolidated statement of financial position as follows:

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Current:		
— Third parties	506	1,603
— Jinjiang Hengsheng Toys Co., Ltd (" Hengsheng Toys ") (note)	361	429
Non-current:		
— Third parties	1,309	1,562
— Hengsheng Toys	612	647
	2,788	4,241

Note: Hengsheng Toys is controlled by Mr. Hui Man Kit. Mr. Hui Man Kit is the brother of Mr. Xu, the controlling shareholder and executive director of the Company.

As at 30 June 2025 and 31 December 2024, the Group has leases for an office and factory premises. These leases are reflected on the condensed consolidated statement of financial position as property, plant and equipment (see Note 13) and lease liabilities.

Each lease generally imposes a restriction that the right-of-use asset can only be used by the Group. Leases are only be cancelled with mutually agreement between the Group and lessor. There is no variable lease payment and termination option among the lease contracts.

Lease period of certain lease agreements with Hengsheng Toys were three years. The Group can elect to renew for another three years with same rentals upon the expiration of the three-year lease term. Thereafter the lease period and rentals are subject to negotiations but Hengsheng Toys agrees to lease to the Group for a maximum of 20 years from 21 June 2020.

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

14. LEASE LIABILITIES *(continued)*

The following table shows the future minimum lease payments:

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Within one year	907	2,183
One to two years	989	1,605
Two to five years	1,111	766
	3,007	4,554
Finance charges	(219)	(313)
	2,788	4,241
	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Present value of minimum lease payments:		
Due within one year	867	2,032
Due in first to second years	916	1,466
Due in second to fifth years	1,005	743
	2,788	4,241
Less: Portion due within one year included under current liabilities	(867)	(2,032)
Portion due after one year included under non-current liabilities	1,921	2,209

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

15. INTANGIBLE ASSETS

	Mobile app development costs RMB'000	Patent on technical know-how RMB'000	Trademark RMB'000	Total RMB'000
Cost				
As at 1 January 2025 and 30 June 2025 (unaudited)	10,444	4,880	9,500	24,824
Accumulated amortisation				
As at 1 January 2025	9,293	2,328	9,500	21,121
Charge for the period	816	488	—	1,304
As at 30 June 2025 (unaudited)	10,109	2,816	9,500	22,425
Net book amount				
As at 30 June 2025 (unaudited)	335	2,064	—	2,399
As at 31 December 2024 (audited)	1,151	2,552	—	3,703

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Investment in film production (note)	20,416	20,416

Note:

On 10 January 2022, the Company entered into the equity sales and purchase agreements with Mr. Xu and certain third parties to acquire 100% equity interest of June Pictures & Media Limited ("June Pictures"), a limited company established in the PRC, satisfied by the issuances of 74,482,760 ordinary shares of the Company to Mr. Xu and debt instruments of RMB6,171,000 to third parties. June Pictures held 10% interest of a film project.

The investment in the film production project entitles the Group, among others, the rights to share the income of the film project, in accordance with the terms of the investment agreement.

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

Note: *(continued)*

The Group's investment in film production as at 30 June 2025 are classified as financial assets at FVTPL as their contractual cash flows are not solely payments of principal and interest.

All the film production had been completed and the carrying amount at the end of the reporting period represented the fair value of the estimated net future cash flows from the film attributable to the Group.

June Pictures was originally wholly-owned by a third party, Yeewo Pictures & Media Limited ("**Yeewo Pictures**"). Yeewo Pictures transferred certain equity interests in June Pictures to Mr. Xu and another third party. Yeewo Pictures, Mr. Xu and another third party then transferred 100% equity interest in June Pictures to the Company.

In respect of the acquisition of June Pictures by the Company, Yeewo Pictures provides a profit guarantee of RMB25,572,000 for the 10% interest in the film project to the Company. Mr. Xu agrees to pay a penalty interest of 5% per annum to the Company based on the investment amount of RMB20,571,000 until the release date of the film project, starting from 1 January 2023. Relevant penalty interest of RMB514,000 for the six months ended 30 June 2025 (30 June 2024, RMB514,000) has been accrued and recognised as other income (note 7) and other receivables (note 18).

At 30 June 2025, the directors re-assessed the estimated release date of the film in the cinemas in the PRC taken into account various factors including the progress of obtaining approval from relevant government authority, and estimated the film will be released in the year 2025.

The movement of the financial assets at FVTPL during the period is set out below:

	RMB'000
As at 30 June 2025 (unaudited) and 31 December 2024 (audited)	20,416

17. INVENTORIES

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Raw materials	3,889	4,966
Finished goods	5,739	4,140
	9,628	9,106

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

18. TRADE AND OTHER RECEIVABLES

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Trade receivables		
— From third parties	48,228	59,975
Prepayments and other receivables	3,553	660
	51,781	60,635

The directors consider that the fair values of all of the trade and other receivables which are expected to be recovered within one year are not materially different from their carrying amounts due to these balances having short maturity periods on their inception.

Trade receivables

Before accepting any new customer, the Group applies an internal credit assessment policy to assess the potential customer's credit quality. The credit period is generally for a period of 60 days. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables, based on the invoice date and net of ECL allowance, is as follows:

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Within 30 days	17,666	31,552
31 days to 60 days	22,318	27,628
61 days to 90 days	8,244	795
	48,228	59,975

All trade receivables are denominated in RMB. The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. As at 30 June 2025, trade receivables of RMB8,244,000 were past due (31 December 2024: RMB795,000). During the period ended 30 June 2025, no written off was made against the trade receivables (31 December 2024: nil).

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

18. TRADE AND OTHER RECEIVABLES *(continued)*

Trade receivables *(continued)*

Generally, the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base. As at 31 December 2024 and 30 June 2025, there has not been any significant change in the gross amounts of trade receivables that has affected the estimation of the loss allowance during the year/period.

19. CASH AND CASH EQUIVALENTS

As at 30 June 2025, bank balances of RMB213,725,000 (31 December 2024: RMB205,981,000) were denominated in RMB placed with banks in the PRC. RMB is not a freely convertible currency respectively. The conversion of RMB denominated deposits placed in banks in the PRC in foreign currencies and remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government. Cash at banks earns interest at floating rates based on daily bank deposit rates.

20. TRADE AND OTHER PAYABLES

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Trade payables		
— To third parties	17,126	27,865
Accrued charges and other payables		
— Other tax payable	121	2,044
— Salaries payables	1,356	2,483
— Receipt in advance	2,225	1,360
— Consideration payable (Note (i))	6,171	6,171
— Deferred gain (Note (ii))	1,097	1,097
— Other payables and accruals	3,199	2,135
	14,169	15,290
	31,295	43,155

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

20. TRADE AND OTHER PAYABLES (continued)

Notes:

- (i) As at 30 June 2025, consideration payable represented the promissory notes issued for acquisition of 100% of equity interest of June Pictures (see note 16), amounted to RMB6,171,000 (31 December 2024: RMB6,171,000) which was interest-free and repayable on demand upon the date when the film is publicly released in cinemas in the PRC.
- (ii) Deferred gain represents the difference between the fair value of considerations given and the fair value of financial assets at FVTPL (note 16) at date of acquisition. The deferred gain will be recognised in the consolidated statement of profit or loss and other comprehensive income upon realisation of the investment in film production. Relevant portion of the difference attributable to shareholder's contribution is included in the consolidated statement of changes in equity.

Trade payables

The Group is granted by its suppliers credit periods ranging from 30 to 60 days. An aged analysis of the trade payables, based on the invoice date, is as follows:

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Within 30 days	15,089	18,089
31 days to 60 days	2,037	9,776
	17,126	27,865

All trade payables are denominated in RMB. All amounts are short term and hence the carrying values of trade and other payables are considered to be a reasonable approximation of their fair values.

NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2025

21. SHARE CAPITAL

	No. of ordinary shares	RMB'000
Authorised: As at 31 December 2024 (audited) and 30 June 2025 (unaudited)	5,000,000,000	45,147
	No. of ordinary shares	RMB'000
Issued and fully paid: As at 31 December 2024 (audited) and 30 June 2025 (unaudited)	748,482,760	6,667

Note: The ordinary shares of the Company has a par value of HK\$0.01 each.

22. RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in the condensed consolidated interim financial information, the Group had the following transactions with related parties during the period:

Compensation of key management personnel

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Salaries, allowances and benefits	479	477
Retirement scheme contributions	9	9
	488	486