

HONBRIDGE HOLDINGS LIMITED

洪 橋 集 團 有 限 公 司

(Stock Code: 8137)



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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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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This report, for which the directors (the "Directors") of Honbridge Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors of the Company, 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.



CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Xu Zhihao

(Chairman and Chief Executive Officer)

Mr. Xu Bing

Mr. Chen Shengjie

Ms. Gu Wenting

Mr. Liu Wei, William (Retired on 1 April 2025)

Non-Executive Director

Mr. Yan Weimin (Resigned on 23 June 2025)

Independent Non-Executive Directors

Dr. Wang Jiwei (Appointed on 23 June 2025)

Mr. Wang Baogang (Appointed on 23 June 2025)

Mr. Huang Yongzhong (Appointed on 23 June 2025)

Mr. Chan Chun Wai, Tony (Retired on 23 June 2025)

Mr. Ma Gang (Retired on 23 June 2025)

Mr. Ha Chun (Retired on 23 June 2025)

Company Secretary

Mr. Li Yat Ming (Appointed on 19 May 2025)

Mr. Yeung Ho Ming, *CPA (HK)* (Resigned on 19 May 2025)

Authorised Representatives

Mr. Chen Shengjie

Mr. Li Yat Ming (Appointed on 19 May 2025)

Mr. Yeung Ho Ming (Resigned on 19 May 2025)

Audit Committee

Dr. Wang Jiwei (Committee Chairman)

(Appointed on 23 June 2025)

Mr. Wang Baogang (Appointed on 23 June 2025)

Mr. Huang Yongzhong (Appointed on 23 June 2025)

Mr. Chan Chun Wai, Tony (Committee Chairman)

(ceased with effect from 23 June 2025)

Mr. Ma Gang (ceased with effect from 23 June 2025)

Mr. Ha Chun (ceased with effect from 23 June 2025)

Remuneration Committee

Mr. Huang Yongzhong (Committee Chairman)

(Appointed on 23 June 2025)

Mr. Xu Bing (Appointed on 23 June 2025)

Mr. Chen Shengjie

Dr. Wang Jiwei (Appointed on 23 June 2025)

Mr. Wang Baogang (Appointed on 23 June 2025)

Ms. Gu Wenting (ceased with effect from 23 June 2025)

Mr. Ha Chun (Committee Chairman)

(ceased with effect from 23 June 2025)

Mr. Ma Gang (ceased with effect from 23 June 2025)

Mr. Chan Chun Wai, Tony

(ceased with effect from 23 June 2025)

Nomination Committee

Mr. Xu Zhihao (Committee Chairman)

Ms. Gu Wenting (Appointed on 23 June 2025)

Dr. Wang Jiwei (Appointed on 23 June 2025)

Mr. Wang Baogang (Appointed on 23 June 2025)

Mr. Huang Yongzhong (Appointed on 23 June 2025)

Mr. Xu Bing (ceased with effect from 23 June 2025)

Mr. Chan Chun Wai, Tony

(ceased with effect from 23 June 2025)

Mr. Ma Gang (ceased with effect from 23 June 2025)

Mr. Ha Chun (ceased with effect from 23 June 2025)

Auditor

BDO Limited

Principal Bankers

Bank of China (Hong Kong) Limited Nanyang Commercial Bank, Limited

Registered Office

P.O. Box 31119 Grand Pavilion

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Grand Cayman

KY1-1205 Cayman Islands

Head Office And Principal Place Of Business

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Central Plaza

18 Harbour Road

Wanchai

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Share Registrar and Transfer Office

Union Registrars Limited Suites 3301-04, 33/F. Two Chinachem Exchange Square 338 King's Road North Point Hong Kong

Stock Code

8137

Company Website

www.8137.hk



UNAUDITED CONSOLIDATED HALF YEAR RESULTS

The board of directors (the "Board") of the Company hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2025, together with the comparative unaudited figures for the corresponding period in 2024, as follows:

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

		Six months 6 30 June	
		2025	2024
	Notes	HK\$'000	HK\$'000
Continuing operations			
Revenue	2	15,487	46,054
Cost of sales		(15,274)	(33,548)
Gross profit		213	12,506
Other operating income, gains and losses	4	(8,707)	(13,993)
Selling and distribution costs		(1,816)	(2,139)
Administrative expenses		(26,492)	(26,255)
Other expenses	18	-	(10,725)
Share of results of an associate	13	(88)	(89)
Finance costs	5	(3,202)	(3,690)
Loss before income tax from continuing operations	6	(40,092)	(44,385)
Income tax	7	-	_
Loss for the period from continuing operations		(40,092)	(44,385)
Discontinued operation			
Loss for the period from discontinued operation	10	(3,054)	(8,738)
Loss for the period		(43,146)	(53,123)
Loss for the period attributable to:			
Owners of the Company			
— Continuing operations		(31,798)	(39,377)
— Discontinued operation		(764)	(3,107)
		(32,562)	(42,484)
Non-controlling interests			
— Continuing operations		(8,294)	(5,008)
— Discontinued operations		(2,290)	(5,631)
		(10,584)	(10,639)
		(43,146)	(53,123)



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

		Six months ended 30 June		
		2025	2024	
	Notes	HK\$'000	HK\$'000	
Loss for the period		(43,146)	(53,123)	
Other comprehensive income/(loss)				
Item that will not be reclassified subsequently to profit or loss:				
Changes in fair value of equity instruments at fair value through		(2.42)	404	
other comprehensive income		(240)	191	
Items that may be reclassified subsequently to profit or loss: Exchange differences on translation of financial statements of				
foreign operations		534,563	(657,377)	
Share of other comprehensive income of associates		(220)	169	
Release of translation reserve upon disposal of subsidiaries		(1,803)	_	
Other comprehensive income/(loss) for the period,				
net of tax		532,300	(657,017)	
Total comprehensive income/(loss) for the period		489,154	(710,140)	
Total comprehensive income/(loss) for the period	'			
attributable to: Owners of the Company		499,456	(697,859)	
Non-controlling interests		(10,302)	(12,281)	
		489,154	(710,140)	
Loss per share from continuing and discontinued				
operations	9			
— Basic		HK(0.27) cent	HK(0.44) cent	
— Diluted		HK(0.27) cent	HK(0.44) cent	
Loss per share from continuing operations	9			
— Basic		HK(0.26) cent	HK(0.41) cent	
Diluted Loss per share from discontinued operation	9	HK(0.26) cent	HK(0.41) cent	
— Basic	7	HK(0.01) cent	HK(0.03) cent	
— Diluted		HK(0.01) cent	HK(0.03) cent	



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	44	28,205	56,820
Exploration and evaluation assets	11	6,189,942	5,367,781
Financial assets at fair value through other comprehensive income Interests in an associate	12 13	9 5,502	249 5,810
Right-of-use assets	13 14	35,385	34,595
Tright of doc doocto	17	6,259,043	5,465,255
Current accate		0,237,043	3,403,233
Current assets Inventories		23,511	10,335
Trade and bill receivables	15	10,207	36,593
Prepayments, deposits and other receivables	10	9,984	21,910
Financial assets at fair value through profit or loss	16	35,997	49,373
Tax recoverable		_	412
Restricted bank deposits		9,902	16,386
Time deposits with maturity over three months		21,916	21,373
Cash and cash equivalents		410,975	65,784
Total current assets		522,492	222,166
Current liabilities			
Trade and bill payables	17	35,383	38,500
Provision, other payables, accruals and deposits received	18	71,511	91,505
Contract liabilities		110	2,103
Borrowings	19	19,944	19,459
Lease liabilities		1,530	3,063
		128,478	154,630
Net current assets		394,014	67,536
Total assets less current liabilities		6,653,057	5,532,791
Non-current liabilities			
Borrowings	19	78,569	85,988
Deferred tax liabilities	20	1,982,618	1,706,319
Contingent consideration payables	22	117,471	117,471
Lease liabilities Provision, other payables, accruals and deposits received	18	2,878	11,591
Other financial liabilities	10	87,664	85,137 12,337
Other infaricial habilities		2,269,200	
Not accore			2,018,843
Net assets		4,383,857	3,513,948
EQUITY Equity attributable to the owners of the Company			
Share capital		14,555	9,855
Reserves		4,422,720	3,549,434
		4,437,275	3,559,289
Non-controlling interests		(53,418)	(45,341)
Total equity		4,383,857	3,513,948
·		.,000,007	5,515,710



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - UNAUDITED

_			Attri	ibutable to ov	vners of the Com	pany				
	Share capital HK\$'000	Share premium HK\$'000	Treasury shares reserve HK\$'000	Translation reserve HK\$'000	Fair value through other comprehensive income reserve HK\$'000	Other reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
2025										
At 1 January 2025	9,855	3,563,686	(62,078)	(6,665,899)	(103,618)	(7,647)	6,824,990	3,559,289	(45,341)	3,513,948
Issuance of shares through										
placement	4,700	371,300	-	-	-	-	-	376,000	-	376,000
Disposal of a subsidiary	-	-	-	-	-	-	-	-	2,225	2,225
Deemed contribution										
arising from disposal of										
subsidiaries (Note 21)	-	-	-	-	-	-	2,530	2,530	_	2,530
Loss for the period	_	-	-	-	-	-	(32,562)	(32,562)	(10,584)	(43,146)
Other comprehensive income				F24 204				F24 204	202	F24 F/2
Currency translation Changes of fair value of	_	_	_	534,281	-	_	_	534,281	282	534,563
financial assets at fair value										
through other										
comprehensive income	_	_	_	_	(240)	_	_	(240)	_	(240)
Share of other comprehensive								, ,		
income of an associate	_	_	_	(220)	_	_	_	(220)	_	(220)
Release of translation reserve										
upon disposal of subsidiaries										
(Note 21)	-	_	-	(1,803)		_	-	(1,803)	_	(1,803)
Total comprehensive income	-	_	-	532,258	(240)	_	(32,562)	499,456	(10,302)	489,154
At 30 June 2025	14,555	3,934,986	(62,078)	(6,133,641)	(103,858)	(7,647)	6,794,958	4,437,275	(53,418)	4,383,857
2024										
At 1 January 2024	9,855	3,563,686	(141,644)	(5,629,154)	(103,328)	(7,647)	7,296,417	4,988,185	(14,206)	4,973,979
Disposal of treasury shares	-	-	1,684	-	-	-	(1,383)	301	-	301
Transactions with owners	-	-	1,684	-	-	-	(1,383)	301	-	301
Loss for the period	-	-	-	-	-	-	(42,484)	(42,484)	(10,639)	(53,123)
Other comprehensive income										
Currency translation	-	-	-	(655,735)	-	-	-	(655,735)	(1,642)	(657,377)
Changes of fair value of										
financial assets at fair value										
through other					404			404		404
comprehensive income	-	-	-	-	191	-	-	191	-	191
Share of other comprehensive income of an associate	_	_	_	169	_	_	_	169	_	169
Total comprehensive income	-	-		(655,566)	191		(42,484)	(697,859)	(12,281)	(710,140)
At 30 June 2024	9,855	3,563,686	(139,960)	(6,284,720)	(103,137)	(7,647)	7,252,550	4,290,627	(26,487)	4,264,140



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS — UNAUDITED

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Net cash used in operating activities	(9,943)	(18,382)
Net cash (used in) from investing activities:		
Purchases of property, plant and equipment	_	(2,061)
Interest received	2,143	1,611
Release of restricted bank deposits	6,484	18,951
Disposal of subsidiaries, net of cash disposal of	(4,364)	_
Purchase of exploration and evaluation assets	(9,516)	_
Other investing cash flows	_	4
	(5,253)	18,505
Net cash from (used in) financing activities:		
Repayment of borrowings	(9,866)	(9,100)
Interest paid on borrowings	(3,202)	(2,841)
Placing of shares	376,000	_
Other financing cash flows	(776)	80
	362,156	(11,861)
Net increase/(decrease) in cash and cash equivalents	346,960	(11,738)
Cash and cash equivalents, at beginning of period	65,784	166,953
Effect of foreign exchange rate changes	(1,769)	(3,933)
Cash and cash equivalents, at end of period	410,975	151,282
Analysis of cash and cash equivalents		
Cash at banks and in hand	410,975	151,282



Notes:

BASIS OF PRESENTATION AND CHANGES IN ACCOUNTING POLICIES 1.

The unaudited consolidated financial statements for the six months ended 30 June 2025 have not been audited by the Company's auditors but have been reviewed by the Company's audit committee.

The financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), the disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules.

These financial statements should be read, where relevant, in conjunction with the 2024 annual report.

The accounting policies adopted in the 2024 annual financial statements have been consistently applied to these financial statements. The new or amended HKFRS Accounting Standards that are effective from 1 January 2025 did not have any significant impact on the Group's accounting policies. The Group has not applied any new or amended HKFRS Accounting Standards that are not yet effective.

2. **REVENUE**

Revenue represents total invoiced value of goods supplied and income from provision of services.

	Six months ended 30 June		
	2025	2024	
	HK\$'000	HK\$'000	
Continuing operations:			
Sale of lithium batteries	11,600	44,666	
Battery testing service income	3,887	1,388	
	15,487	46,054	
Discontinued operation:			
Online car-hailing service and related income	6,899	25,393	
	6,899	25,393	
	22,386	71,447	

SEGMENT INFORMATION

The Group has identified its operating segment and prepared segment information based on the regular internal financial information reported to the Group's executive directors for their decisions about resources allocation and review of performance.

The Group's operating businesses are organised and managed separately according to the nature of product and service, with each segment representing a strategic business segment that offers different products and services in the PRC, France and Brazil.

The Company is an investment holding company. Principal places of the Group's operations are Hong Kong, the PRC and Brazil.



3. **SEGMENT INFORMATION — CONTINUED**

Information regarding the Group's reportable segments provided to the Group's most senior management (i.e. the executive directors) is set out below:

	Continuing operations			
	Mineral resources exploration and trading HK\$'000	Lithium battery production HK\$'000	Total <i>HK\$'000</i>	
Six months ended 30 June 2025				
Reportable segment revenue (external customers)	_	15,487	15,487	
Reportable segment losses	6,778	17,499	24,277	
Reportable segment assets	6,194,317	172,369	6,366,686	
Reportable segment liabilities	119,270	283,973	403,243	
Capital expenditure Depreciation	- 392	- 2,631	- 3,023	

	Con	tinuing operations	
	Mineral resources exploration and trading HK\$'000	Lithium battery production HK\$'000	Total <i>HK\$'000</i>
Six months ended 30 June 2024			
Reportable segment revenue (external customers)	_	46,054	46,054
Reportable segment losses	3,987	10,453	14,440
Reportable segment assets	6,489,864	267,027	6,756,891
Reportable segment liabilities	121,459	353,218	474,677
Capital expenditure Depreciation	- 479	2,061 2,089	2,061 2,568



3. **SEGMENT INFORMATION — CONTINUED**

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

	Six months ended 30 June 2025 20	
	HK\$'000	HK\$'000
Continuing operations:		
Reportable segment revenue	15,487	46,054
Reportable segment losses	(24,277)	(14,440)
Other operating income, gains and losses	3,567	229
Impairment loss on amount due from an associate	_	(25,955)
Administrative expenses	(5,854)	(5,854)
(Loss)/gain on financial assets at fair value through profit or loss	(13,377)	1,759
Share of results of an associate	(88)	(89)
Finance costs	(63)	(35)
Loss before income tax	(40,092)	(44,385)
	As at	As at
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Continuing operations:		
Reportable segment assets	6,366,686	5,621,497
Prepayments, deposits and other receivables	4,874	2,784
Financial assets at fair value through profit or loss	35,997	49,373
Financial assets at fair value through other comprehensive income	9	249
Right-of-use assets	4,380	4,117
Interests in an associate	5,502	5,810
Cash and cash equivalents	364,087	3,591
	6,781,535	5,687,421
Reportable segment liabilities	403,243	455,407
Other payables and accrued expenses	7,409	5,403
Lease liabilities	4,408	6,344
Deferred tax liabilities	1,982,618	1,706,319
	2,397,678	2,173,473



3. **SEGMENT INFORMATION — CONTINUED**

The Group's revenue from external customers and its non-current assets are divided into the following geographical areas:

	Six months ende	Six months ended 30 June		
	2025 HK\$'000	2024 HK\$'000		
Revenue from external customers	TIK\$ 000	7 11(\$ 000		
PRC	15,487	9,868		
United Kingdom	_	36,186		
Reportable segment revenue	15,487	46,054		

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Non-current assets (excluding financial assets)		
Hong Kong	4,380	4,117
PRC	58,503	65,950
France	_	26,184
Brazil	6,190,664	5,368,755
Reportable segment non-current assets	6,253,547	5,465,006

Geographical location of customers is based on the location at which the goods and services are delivered whilst geographical location of non-current assets is determined based on (1) the physical location of the asset (for property, plant and equipment and right-of-use assets) and (2) location of operations (for exploration and evaluation assets and interests in associates).

Information about major customers

Revenue from customers of the corresponding period contributing over 10% of the total revenue of the Group are as follows:

	Six months en	Six months ended 30 June		
	2025	2024		
	HK\$'000	HK\$'000		
Customer A ¹	_	38,836		
Customer B ¹	3,887	_		
Customer C ¹	2,634	_		

¹ Revenue from lithium battery production segment



4. OTHER OPERATING INCOME, GAINS AND LOSSES

	Six months ended 30 June 2025 2024	
	HK\$'000	HK\$'000
Continuing operations:		
Bank interest income	2,143	1,611
Government grants	_	666
Net (loss)/gain on financial assets at fair value through profit or loss	(13,376)	1,759
Exchange gain	4	6
Impairment loss on amount due from an associate	_	(25,955)
Sundry income	318	7,920
Gain on lease modification	2,204	_
	(8,707)	(13,993)
Discontinued operations:		
Sundry income	1,383	_
	1,383	-
	(7,324)	(13,993)

5. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Continuing operations:		
Interest charges on borrowings wholly repayable within five years	3,139	3,290
Finance costs on lease liabilities	63	400
	3,202	3,690
Discontinued operations:		
Interest charges on borrowings wholly repayable within five years	_	365
Interest on other financial liabilities	381	906
	381	1,271
	3,583	4,961



6. LOSS BEFORE INCOME TAX

	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Loss before income tax are arrived at after charging: Continuing operations:	my	Της σσο
Depreciation and amortisation	3,742	3,780
Discontinued operations: Depreciation and amortisation	1,304	4,734

7. INCOME TAX

	Six months end	Six months ended 30 June	
	2025	2024	
	HK\$'000	HK\$'000	
Continuing operations:			
Overseas tax			
Current period	_	_	
Deferred tax	_	_	
Income tax	_	_	

During the six months ended 30 June 2024 and 2025, no provision for Hong Kong profits tax has been provided by the Group as the Group had no estimated assessable profit arising in or derived from Hong Kong. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

During the period, corporate income tax rates in Brazil of 34% is applicable to Sul Americana de Metais S.A. ("SAM"), being the Group's subsidiary established in Brazil.

The PRC corporate income tax rate of 25% is applicable to the Group's PRC subsidiaries during the period.

Corporate income tax rates in France of 25% is applicable to the Company's subsidiaries in France.

8. DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).



9. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to owners of the Company and weighted average of ordinary shares in issue (after adjusting the effect of treasury shares held by the Company) during the period.

	Six months ended 30 June	
	2025	2024
	<i>'</i> 000	′000
Number of shares		
Weighted average number of ordinary shares for the purpose of		
calculating basic and diluted loss per share	12,296,469	9,737,501

(a) From continuing and discontinued operations

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Loss for the purpose of calculating basic loss per share	(32,562)	(42,484)

(b) From continuing operations

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Loss for the year attributable to owners of the Company	(32,562)	(42,484)
Less: loss for the year from discontinued operation	(764)	(3,107)
Loss for the purpose of calculating basic loss per share from		
continuing operations	(31,798)	(39,377)

(c) From discontinued operation

	Six months ende	Six months ended 30 June	
	2025	2024	
	HK\$'000	HK\$'000	
Loss for the purpose of calculating basic loss			
per share from discontinued operation	(764)	(3,107)	

For the period ended 30 June 2025, there were no potential ordinary share in issue. Accordingly, the diluted loss per share presented are the same as the basic loss per share.

For the period ended 30 June 2024, diluted loss per share is the same as basic loss per share because the impact of the exercise of share options was anti-dilutive.



10. DISCONTINUED OPERATION

On 21 March 2025, a non-wholly owned subsidiary of the Company entered into agreements with a related party of the Company in relation to the disposal of the entire issued share capital of Jixing International Technology Company Limited ("Jixing International"). Jixing International was principally engaged in research and development of mobile and online applications and provision of transportation service. The disposal was completed on 3 April 2025. The results and cash flows of the discontinued operation of online car-hailing and related services as well as the gain on disposal are set out below. The comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to re-present the online carhailing and related services operation as a discontinued operation.

	2025* HK\$'000	Six months ended 30 June 2024 <i>HK\$'000</i>
Revenue	6,899	25,393
Cost of revenue	(3,659)	(16,594)
Gross profit	3,240	8,799
Other operating income, gains and losses	1,383	_
Administrative expenses	(9,099)	(16,266)
Finance costs	(381)	(1,271)
Loss before income tax	(4,857)	(8,738)
Income tax expense	_	
Loss after income tax from discontinued operation	(4,857)	(8,738)

The consolidated loss for the period from discontinued operation is set out below:

	2025* HK\$'000	Six months ended 30 June 2024 <i>HK\$</i> ′000
Loss for the period from discontinued operation	(4,857)	(8,738)
Release of translation reserve upon disposal of subsidiaries (Note 21)	1,803	_
	(3,054)	(8,738)
Cash flows from discontinued operation:		
Operating cash flows	(1,324)	(6,315)
Investing cash flows	1,899	_
Financing cash flows	(90)	_
Net cash flows	485	(6,315)

^{*} For the period from 1 January 2025 to the date of disposal (i.e. 3 April 2025).

The carrying amounts of the assets and liabilities of Jixing International at the date of disposal are disclosed in note 21.



11. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets represented the rights to explore and identify prospective deposits of iron ore resources in the states of Minas Gerais, Brazil and the expenditures incurred in the search for mineral

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE **INCOME**

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Listed: Equity instruments measured at FVOCI	9	249

The balance represented the Group's strategic investments in LuoKung Technology Corp. (Nasdaq: LKCO). The equity investment was irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

13. INTERESTS IN AN ASSOCIATE

	As at 30 June 2025 <i>HK\$</i> *000	As at 31 December 2024 HK\$'000
	(Unaudited)	(Audited)
Interest in an associate:	440.000	110.000
Cost of investment in unlisted associate	110,922	110,922
Share of post-acquisition losses and other comprehensive loss	(105,420)	(105,112)
Share of net assets	5,502	5,810



13. INTERESTS IN AN ASSOCIATE — CONTINUED

Movement of interests in an associate is as follows:

	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Unaudited)
As at 1 January	5,810	5,412
Share of results of an associate	(88)	(89)
Share of other comprehensive income	(220)	169
As at 30 June	5,502	5,492

Details of the Group's associate as at 30 June 2025 are as follows:

Name	Place of incorporation/operation and principal activity	Percentage of ownership interests/voting rights/profit share
Shandong Forever New Energy Company Limited ("Shandong Forever")	People's Republic of China/research, production and sales of lithium battery	24.5% (indirectly)

14. RIGHT-OF-USE ASSETS

	<i>HK\$'000</i> (Unaudited)
As at 1 January 2025	34,595
Amortisation	(1,090)
Lease modification	982
Exchange difference	898
At 30 June 2025	35,385

The right-of-use assets represent the Group's prepaid land lease payments and lease of properties and offices for its operations. Prepaid land lease payments represented up-front payments to acquire long-term interest in the usage of land situated in the PRC. The leases of properties and offices run for an initial period ranged from one to ten years. Lease terms are negotiated on an individual basis. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.



15. TRADE AND BILL RECEIVABLES

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Trade receivables — Gross	10,582	37,217
Less: Impairment losses	(375)	(794)
Trade receivables — Net	10,207	36,423
Bill receivables	-	170
	10,207	36,593

The following is ageing analysis of gross trade receivables based on invoice date:

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
0 to 30 days	5,191	8,079
31 to 90 days	1,521	8,088
91 to 180 days	2,782	19,198
Over 180 days	1,088	2,022
	10,582	37,387

As at 30 June 2025 and 31 December 2024, the Group did not hold any collateral as security or other credit enhancements over trade receivables.



16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Listed equity investments, at market value, — in Hong Kong — held for trading — in overseas — held for trading	35,890 107	49,261 112
	35,997	49,373

The balance mainly represented the fair value of 14.14% equity interests (31 December 2024: 14.14%) in Yuxing InfoTech Investment Holdings Limited (HK stock code: 8005), a company listed in the GEM of Hong Kong Stock Exchange Limited. The Company is not accounted for an equity method as the Group does not have the power to participate in its operating and financial policies, evidenced by the lack of any direct or indirect involvement at board level.

The fair value of the Group's investment in listed securities has been determined by reference to their quoted bid prices on the reporting dates.

17. TRADE AND BILL PAYABLES

As	at As at
30 Ju	ne 31 December
20	25 2024
HK\$'C	100 HK\$'000
(Unaudite	ed) (Audited)
Trade payables 25,4	81 23,980
Bill payables 9,9	02 14,520
35,3	83 38,500

The following is ageing analysis of trade and bill payables based on invoice date:

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
0–30 days	19,543	9,488
31–60 days 61–90 days	10,187 1,166	9,617 7,395
91–180 days Over 180 days	2,062 2,425	835 11,165
	35,383	38,500



18. PROVISION

On 31 December 2022, Zhejiang Forever New Energy Company Limited ("Zhejiang Forever"), a subsidiary of the Company, entered into an agreement with certain local government entities in Zhejiang, PRC (the "Government"), pursuant to which, Zhejiang Forever shall repay the Government (a) by 31 December 2022, the government loan in the principal amount of RMB100 million (which Zhejiang Forever had already fully repaid in December 2022); and (b) by 29 February 2024, the government grants (the "Grants") received by Zhejiang Forever in relation to its production facilities in the aggregate amount of around RMB208.4 million, net of 20% to 30% of Zhejiang Forever's accumulated qualified plant and equipment investment as at 31 January 2024 (the percentage being subject to the category classification of the production facilities as at 31 January 2024) (the "Deductible Amount"). The maximum of the Deductible Amount shall not exceed the amount of the Grants received of around RMB208.4 million and if the maximum of Deductible Amount is reached as at 31 January 2024, no repayment of the Grants shall be made. Based on the directors' best estimate, anticipated repayment amount of approximately RMB134.2 million was recognised for this obligation as provision and included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2022 and 2023. As at 30 June 2024, accumulated provision of approximately RMB144.1 million has been recognised in accordance with the agreement below.

On 15 July 2024, Zhejiang Forever has entered into an agreement with the Government. Pursuant to which, Zhejiang Forever shall repay the Government a total of approximately RMB144.1 million (equivalent to approximately HK\$154.8 million) by instalments. Zhejiang Forever shall repay the Government (a) by 15 July 2024, the Grants in the principal amount of RMB34.1 million that had been repaid on 15 July 2024; (b) RMB30 million on or before 31 December 2025; (c) RMB40 million on or before 31 December 2026; and (d) RMB40 million on or before 31 December 2027. The balance payable on or before 31 December 2025, 2026 and 2027 are interest bearing at 2.00% per annum and payable together with the principal on the repayment date. The government grant repayable is guaranteed by the Zhejiang Geely Holding Group Co., Ltd, a company established in the PRC and controlled by Mr. Li Shufu ("Mr. Li").

Based on the consequence of the new information, further provision of approximately RMB9.9 million (equivalent to approximately HK\$10.7 million) was recognised in profit or loss for the year ended 31 December 2024 pursuant to the terms of the agreement with the Government on 15 July 2024.



19. BORROWINGS

	Original currency	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Bank overdraft	EUR	_	90
Bank loan (Note (a))	RMB	98,513	105,357
		98,513	105,447
Represented by:			
Current liabilities	RMB	19,944	19,459
Non-current liabilities	RMB	78,569	85,988
		98,513	105,447

⁽a) The bank loans are secured by the Group's right-of-use assets and property, plant and equipment and the corporate guarantee from Zhejiang Geely Holding Group Co., Ltd. Bank loans were repayable by instalments up to 3 June 2029 and were interest bearing in range of 3.5% to 3.6% per annum.

20. DEFERRED TAX LIABILITIES

Deferred taxation is calculated in full on temporary differences under liability method using the tax rates applicable in the tax jurisdiction concerned. The amount was mainly arising from the fair value adjustment and/or translation difference of exploration and evaluation assets.



21. DISPOSAL OF SUBSIDIARIES

As disclosed in note 10 to the consolidated financial statements, on 21 March 2025, a subsidiary of the Company ("Vendor") entered into a equity transfer agreement with Zhejiang Zuozhongyou Electric Vehicle Service Company Limited ("Purchaser"), a related party of the Group, to dispose of approximately 35.56% equity interest in Jixing International at cash consideration of RMB1 (equivalent to approximately HK\$1). The Purchaser is a company controlled by a controlling shareholder of the Company. The principal business of Jixing International is research and development of mobile and online applications and provision of transportation service. The transaction was completed on 3 April 2025.

Net liabilities at the date of disposal were as follow:

	Total <i>HK\$'000</i>
Property, plant and equipment	29,307
Trade receivables	47,086
Prepayments, deposits and other receivables	10,559
Cash and cash equivalents	4,364
·	•
Accruals and other payables and deposits received Trade payables	(38,248)
Other financial liabilities	(36,415)
Lease liabilities	(12,728)
	(8,680)
Non-controlling interest	2,225
Net liabilities disposed of	(2,530)
Satisfied by:	
Cash consideration	_
Net liabilities disposed of	2,530
Deemed contribution arising from disposal of subsidiaries (note (a))	2,530
Reclassification of cumulative translation reserve upon disposal to profit or loss (Note 10)	1,803
Net cash inflow arising on disposal:	
Cash received	_
Cash and cash equivalents disposed of	(4,364)
Net cash outflow	(4,364)

The impact of Jixing International on the Group's results and cash flows in the current and prior periods is disclosed in note 10 to the consolidated financial statements.

Notes:

- Since the Purchaser is a company controlled by a substantial shareholder of the Company, the transaction, that resulted in a gain on disposal of a subsidiary and the loss of control, involves a contribution of shares of the subsidiary from owners in their capacity as owners, would consider as deemed contribution from shareholder and recognised in the consolidated statement of changes in equity.
- Translation reserve of HK\$1,803,000 was re-classified to the profit or loss upon the disposal of a subsidiary (Note 10).



22. CONTINGENT CONSIDERATION PAYABLES

Under the settlement agreement related to the acquisition of SAM, the Company is committed to pay a maximum aggregate amount of US\$60,000,000 contingent additional payment and conditional mining production payment to the sellers upon occurrence of certain events. Details of the settlement agreement are set out in the Company's announcement dated 13 May 2016.

The contingent consideration payables represent the fair value of the obligation for the contingent payable in accordance with the settlement agreement.

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments that are measured at fair value in the statements of financial position:

- Level 1: fair value measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: fair value measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs).



23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS — CONTINUED

The level in the fair value hierarchy within which the financial assets or liabilities are categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

As at 30 June 2025	Level 1 <i>HK\$'</i> 000	Level 2 <i>HK\$'000</i>	Level 3 <i>HK\$'000</i>	Total <i>HK\$'000</i>
Assets				
— financial assets measured at FVOCI:				
Listed shares	9	_	_	9
— financial assets measured at FVTPL:				
Listed shares	35,997	_	_	35,997
	36,006	_	_	36,006
Liabilities	'		'	
Contingent consideration payables	_	_	117,471	117,471
	Level 1	Level 2	Level 3	Total
As at 31 December 2024	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Assets				
— financial assets measured at FVOCI:				
Listed shares	249	_	_	249
— financial assets measured at FVTPL:				
Listed shares	49,373	_	_	49,373
	49,622	-	-	49,622
Liabilities			'	
Contingent consideration payables	_	_	117,471	117,471

During the six months ended 30 June 2025, there was no transfer between different levels of fair value hierarchy.



MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Lithium-Ion Battery Business

Zhejiang Forever New Energy Company Limited ("Zhejiang Forever New Energy")

Zhejiang Forever New Energy, a 52% owned subsidiary of the Group, is a modern lithium-ion battery enterprise in Jinhua New Energy Automobile Industrial Park. Zhejiang Forever New Energy occupies an area of approximately 130,000 square meters and the plant is designed to possess a maximum production capacity of approximately 2,000,000 kWh ternary lithium-ion battery annually. The first 500,000 kWh production line which produce pouch type cells has commenced mass production since 2018. Recently, Zhejiang Forever New Energy has outsourced the cell production process and focus on production of battery packs.

Zhejiang Forever New Energy has full research and development ability (including lithium battery and battery management system design) and the batteries produced are top quality, reliable and safe. However, large vehicle manufacturers are not willing to place large orders due to the small production capacity which lead to a relative high average costs when compared to the other competitors. In the PRC, the top ten powered battery manufacturers accounted for over 90% of the market share. It is not easy to break off an established relationship between a battery manufacturer (supplier) and new energy vehicle manufacturer (customer), given the efforts and resources required by both the supplier and customer to develop a compatible battery product. Customer exploration remains a huge challenge but the Group has been constantly negotiating and promoting products matching with automobile, commercial vehicle or electric bicycle manufacturers and also with potential new customers in the energy storage field and manufacturers which are planning to make a switch from lead acid battery to lithium battery for their vehicles. Expect for lithium-ion battery for PHEVs and the parking and starting battery for heavy trucks, the Group also has 12V, 48V batteries and portable power station in the product list.

Shandong Forever New Energy Company Limited ("Shandong Forever New Energy")

The current production capacity of Shandong Forever New Energy amounts to 150,000 kWh of lithium iron phosphate battery or 225,000 kWh of ternary lithium battery annually. There was no production in Shandong Forever New Energy for years. Shandong Forever has been focusing on downsizing and operation simplification in the past few years.

Disposal of Shandong Forever New Energy and Assignment of Debts

On 20 January 2025, Triumphant Glory Investments Limited (凱榮投資有限公司) ("Triumphant Glory"), a wholly owned subsidiary of the Company, Zhejiang Geely Automobile Co., Ltd. (浙江吉利汽車有限公司) ("Geely Auto") and Suzhou Aplesi New Energy Power System Technology Co., Ltd. (蘇州艾普樂思新能源動力系統科技有限公司) ("Suzhou Aplesi"), entered into an equity transfer agreement, pursuant to which Triumphant Glory and Geely Auto agreed to sell, and Suzhou Aplesi agreed to purchase approximately 24.5% and approximately 17.0% equity interests in the Shandong Forever New Energy at a consideration of RMB9,290,000 and RMB5,510,000, respectively, to be settled in cash ("Shandong Forever New Energy Equity Transfer Agreement").

In connection to the aforesaid transaction, on 20 January 2025, Triumphant Glory, the Company, Suzhou Aplesi, Shandong Forever New Energy and Geely Auto entered into a debt assignment agreement, pursuant to which Triumphant Glory and the Company will assign approximately RMB20,526,800 and RMB4,000,000 owing by Shandong Forever New Energy to Triumphant Glory and the Company, respectively, to Suzhou Aplesi after completion of the Shandong Forever New Energy Equity Transfer Agreement each at nil consideration (the "Debt Assignment Agreement").



Business Review — Continued

Lithium-Ion Battery Business — Continued

Shandong Forever New Energy Company Limited ("Shandong Forever New Energy") — Continued

Disposal of Shandong Forever New Energy and Assignment of Debts — Continued

Upon the completion of the Shandong Forever New Energy Equity Transfer Agreement, the Company will not hold any equity interest in Shandong Forever New Energy and Shandong Forever New Energy will cease to be an associate of the Company in the consolidated financial statements of the Group.

Completion of the Shandong Forever New Energy Equity Transfer Agreement and the Debt Assignment Agreement is subject to the satisfaction of the conditions precedent and are yet to be completed. Details of this transaction was set out in the announcement of the Company dated 20 January 2025. As at date of this report, the transaction has not yet been completed due to conditions precedent has not yet been fulfilled and the parties have not exercised the rights to terminate the transaction. We will continue to communicate and monitor the progress. Further announcement in relation to the transaction will be made by the Company as and when appropriate.

During the six months ended 30 June 2025 ("First Half 2025"), the lithium-ion battery segment recorded a revenue of approximately HK\$15.5 million, which was decreased by approximately 66.4% when compared to HK\$46.1 million revenue recognised in the last corresponding period due to decrease in order from a major customer and the unsatisfactory sales of new product.

The lithium-ion battery segment loss was approximately HK\$17.5 million for the First Half 2025 (for the six months ended 30 June 2024 ("First Half 2024") of: HK\$10.5 million loss). The segment continued to loss in First Half 2025 mainly because of the significant decrease in revenue and gross profit.

Online Car-Hailing Business

Jixing International Technology Co. Ltd ("Jixing International"), the Company engaged in online car-hailing services in France under the brand Caocao. The service was launched in Paris in January 2020. Despite the COVID pandemic posed severe challenges. Caocao received positive feedback from passengers and B2B business partners, affirming the quality of our service and Caocao also completed a round of funding in 2022. In a strategic move, we also cooperated with Uber, a market competitor, to explore synergies and enhance our service offerings. Caocao also did an excellent job during the Paris Olympics and provided reliable service to tourists and athletes. However, Caocao faced critical challenges, particularly in terms of high administrative, drivers, car maintenance and IT costs. Despite Jixing International had actively working on strategies to optimise our operations and reduced these costs, it had not been able to identify a sustainable business model. As the Company failed to perceive the future of the online car-hailing business and it was expected that continuous funding would be required to sustain its operation, the Group, having assessed the financial position of the online car-hailing business in France, believed that termination of the business will be able to avoid further losses and improve the financial position of the Group, which was in the interests of the Company and its shareholders as a whole. For the period ended 30 June 2025, Caocao contributed approximately HK\$6.9 million revenue to the Group (2024: HK\$25.4 million).



Business Review — Continued

Online Car-Hailing Business — Continued

On 12 February 2025 (France time), the Tribunal de commerce de Nanterre in France confirmed it received the application for Liquidation judiciaire filed by ESQ VTC ("Voluntary Liquidation"). ESQ VTC is a company incorporated in France with limited liability, is principally engaged in the provision of driver capacity for online-hailing car and driver management services in France. The current operations of ESQ VTC fail to support the development of the Company and have increased the operating costs of the Company. As such, in order to further focused on the development of its principal business relating to resources and new energy, reduce the Company's operating costs, enhanced its efficiency and achieve its high-quality and sustainable development, the Company had determined to terminate the operation of ESQ VTC.

Disposal of Jixing International

On 21 March 2025, Honbridge Technology Limited ("Honbridge Technology") (a wholly owned subsidiary of the Company), and Zhejiang Zuozhongyou Electric Vehicle Service Co., Ltd. ("Zhejiang Zuozhongyou") entered into the equity transfer agreement, pursuant to which Honbridge Technology agreed to sell, and Zhejiang Zuozhongyou agreed to purchase approximately 35.56% equity interests in Jixing International at a consideration of RMB1 to be settled in cash ("Equity Transfer Agreement" or "the Disposal").

The Disposal had been completed on 3 April 2025. Accordingly, Honbridge Technology has no longer hold any equity interest in the Jixing International and the Jixing International and its subsidiaries ("Jixing International Group") has been ceased to be the subsidiaries of the Company.

Zhejiang Zuozhongyou is a member of the Geely Technology Group Co., Ltd., which is ultimately controlled by Mr. Li Shufu, the controlling shareholder of the Company. Therefore, Zhejiang Zuozhongyou is an associate of Mr. Li Shufu and a connected person of the Company.

Progress of SAM Iron Ore Project

As of 30 June 2025, the Group had cumulatively invested approximately US\$83.9 million in Sul Americana de Metais S.A. ("SAM"), an indirect wholly owned subsidiary of the Company in Brazil, for the development of its iron ore project (the "Block 8 Project" or "SAM Project"). Including the acquisition consideration of US\$78.42 million, the total investment amounted to approximately US\$162.32 million.

There has been no exploration and mining activity during the period ended 30 June 2025 and the measured and indicated resources for Block 8 Project are same as last year at 3,583 million tonnes (16.63%) and 1,556 million tonnes (16.05%) respectively.



Business Review — Continued

Progress of Sam Iron Ore Project — Continued

As at 30 June 2025, the Company is optimizing the conceptual engineering of the Block 8 Project. The project is currently at the stage of evaluating alternatives, including technical solutions, production capacity options, and site location selections. Capital expenditures (CAPEX) and operational expenditures (OPEX) have not yet been finalized. The Company will continue to disclose project developments and the results of the economic feasibility assessment based on the revised project concept in subsequent periodic reports, in line with the progress of the conceptual engineering work. As mentioned in the annual report 2024 of the Company, the total investment of Block 8 Project as at 31 December 2024 was estimated to be US\$3.55 billion, excluding the pipeline project led by Lotus Brasil and the port project led by Bahia State Government. The Opex per ton of pellet feed for the first 18 years was approximately US\$18.5 and thereafter would rise to approximately US\$23.8. Taking into account the pipeline transportation and concentrate dewatering service fees payable to Lotus Brasil, as well as fees payable to the port, FOB costs were expected to be approximately US\$31.8 per ton for the first 18 years and then would increase to US\$37.1 per ton.

SAM is undertaking the phased development of the Block 8 Project, which is expected to ultimately achieve a production capacity of 27.5 million tonnes per annum of high-quality pellet feed (66.2% Fe). The project will feature an integrated system comprising an open-pit mine, beneficiation plant, tailings disposal facilities, power transmission line, water supply pipelines, and the Vacaria water dam.

Recognized as a strategic mining project by the Brazilian federal government through the Interministerial Committee for the Analysis of Strategic Mineral Projects (CTAPME), coordinated by the Ministry of Mines and Energy (MME), and designated as a Priority Project by the State of Minas Gerais, the Block 8 Project plays a vital role in fostering local economic development and employment.

However, in light of the two tailings dam failures in 2015 and in 2019 by other Brazilian mining companies, Brazil has continuously introduced and tightened regulations concerning tailings dam safety. As a result, the Block 8 Project has faced unprecedented challenges in securing environmental licensing. The updated legal framework explicitly requires alternative studies on tailings disposal to demonstrate that the selected solution is the safest and most viable option, considering environmental, social, and economic sustainability.

Since 2024, SAM has actively pursued the most appropriate tailings disposal solution tailored to the specific characteristics of its ore. The Company has extensively engaged with equipment manufacturers and service providers to evaluate the applicability of advanced technologies. SAM conducted site visits to dry stacking operations in Brazil and reviewed best practices from downstream tailings dam facilities in China. These efforts reflect SAM's firm commitment to establishing a safe, environmentally responsible, and internationally compliant mining operation aligned with the latest regulatory standards.

Beyond tailings disposal alternative studies, SAM is implementing a broader upgrade of the Block 8 Project across multiple dimensions. This includes a complete redevelopment of the conceptual engineering, incorporating detailed assessments of technical and locational alternatives, as well as the initiation of a new Environmental Impact Assessment (EIA-RIMA) based on the revised project concept. These initiatives are critical to ensuring compliance with the most current technical standards and regulatory requirements, while delivering long-term benefits to local communities and the environment.



Business Review — Continued

Progress of Sam Iron Ore Project — Continued

During the reporting period, SAM, in compliance with the latest applicable regulations, completed a new topographic survey of the project area in April 2025. In June, it formally commenced alternative studies and new conceptual engineering designs for the beneficiation plant and geotechnical facilities, including the tailings dam, dry stacking piles, waste dump, and water dam. Concurrently, the preparation of a new Environmental Impact Assessment and Report (EIA-RIMA) was initiated, and on July 21, SAM submitted a fauna sampling work plan to the environmental licensing organ FEAM to apply for the corresponding sampling authorization. Additional engineering service contracts related to the EIA-RIMA are being executed progressively. These efforts mark a significant advancement in the project's new conceptual engineering and environmental licensing process.

With regard to logistics infrastructure, and to enhance the security and controllability of the project's iron ore product export channel, Honbridge Holdings, under the strategic guidance of its top management, completed the acquisition of Lotus Fortune in 2025. Consequently, the Group indirectly secured 100% ownership of the pipeline company Lotus Brasil, thereby regaining full control over the project's logistics chain and laying a solid foundation for the future planning, construction, and independent operation of the pipeline system.

According to the current project timeline, SAM plans to formally submit the new EIA-RIMA in July 2026 and aims to obtain the Preliminary Environmental License (LP) in 2027, in order to confirm the environmental feasibility of the project and to pave the way for subsequent licensing stages, including the Installation License (LI) and Operation License (LO).

Shareholding in Yuxing Infotech

As at 30 June 2025, the Group owned 351,867,200 shares (31 December 2024: 351,867,200 shares) of Yuxing InfoTech Investment Holdings Limited ("Yuxing InfoTech" HK stock code: 8005), represented 14.14% equity interests in Yuxing InfoTech, a listed equity investments listed in the GEM of Hong Kong Stock Exchange Limited. The shares could be disposed for working capital of the Company or if the appropriate opportunity or market conditions arrived.

Financial Review

For the six months ended 30 June 2025 ("First Half 2025"), the Group recognised approximately HK\$15.5 million in revenue, representing approximately 66.4% decrease when compared to approximately HK\$46.1 million revenue recognised for the six months ended 30 June 2024 ("First Half 2024").

The revenue of the Group were contributed by our Zhejiang lithium-ion battery plant. The revenue generated from lithium battery segment has decreased by approximately 66.4% from approximately HK\$46.1 million for First Half 2024 due to the decrease in order from a major customer and the unsatisfactory sales of the parking and starting battery for heavy truck (駐車電池).

For First Half 2025, the loss of the Company was approximately HK\$40.1 million, excluding the discontinued operation (First Half 2024: loss of approximately HK\$44.4 million, excluding the discontinued operation). The decrease in losses was primarily due to there was no impairment loss on amount due from an associate in First Half 2025.



Financial Review — Continued

The Group recorded a gross profit of approximately HK\$0.2 million (gross profit ratio: approximately 1.4%) for First Half 2025 as compared with the gross profit of approximately HK\$12.5 million (gross profit ratio: approximately 27.2%) for First Half 2024. The gross profit ratio decreased during First Half 2025, mainly driven by decreased gross profit in the lithium battery production segment. The gross profit ratio decreased mainly because the number of high margin product sale to our major customer decreased and at the same time the per unit fixed direct cost increased.

Other operating income, gains and losses of approximately HK\$8.7 million losses was recognised during First Half 2025 (First Half 2024: approximately HK\$14.0 million losses). Such change was mainly due to lack of the impairment loss on amount due from an associate, Shandong Forever New Energy Company Limited of approximately HK\$26.0 million, which partly offset by the net loss on financial assets at fair value through profit or loss of approximately HK\$13.4 million during the financial period under review, which worsened significantly compare to the gain of HK\$1.8 million for First Half 2024 as the share price of Yuxing InfoTech Investment Holdings Limited (stock code: 8005), a listed equity investments listed in the GEM of Hong Kong Stock Exchange Limited dropped approximately 27.1% during First Half 2025.

There was no other operating expense recognised for First Half 2025 (First Half 2024: approximately HK\$10.7 million). Details has been set out in note 18 of the financial statements.

Approximately HK\$3.2 million finance costs were recognised during First Half 2025 (First Half 2024: approximately HK\$3.7 million) which were mainly interest expense related to the bank borrowings from a commercial bank in the PRC. As at 30 June 2025, the bank borrowings were denominated in RMB with a principal amount equivalent to approximately HK\$98.5 million and were interest bearing in range of 3.5% to 3.6% per annum.

For First Half 2025, the loss attributable to the owners of the Company was approximately HK\$31.8 million, excluding the discontinued operation (First Half 2024: loss of approximately HK\$39.4 million, excluding the discontinued operation). Loss decreased mainly because lack of the approximately HK\$26.0 million impairment loss on amount due from an associate and loss on financial assets at fair value through profit or loss was approximately HK\$13.4 million during First Half 2025.

As at 30 June 2025, the cash and cash equivalent balance of the Group was approximately HK\$411.0 million (31 December 2024: approximately HK\$65.8 million). Such increase was mainly due to the net proceeds, approximately HK\$375 million, from subscription of shares of 4,700,000,000 shares at the subscription price of HK\$0.08 per shares during First Half 2025. The Group will continue to prudently control its costs and monitor its expenditure under current challenging and uncertain economic situation.

As at 30 June 2025, the gearing ratio of the Group which is measured by total loans and borrowings to total equity was approximately 2.2% (31 December 2024: approximately 3.0%).



Financial Review — Continued

Treasury Policies and Exposure to Fluctuations in Exchange Rates

The Group's operations are carried out in Hong Kong, the PRC, France and Brazil. The Group's subsidiaries in Hong Kong and overseas use local currencies, including Hong Kong dollar, RMB, EURO and Brazilian Reais. The Group has a partial amount of cash and bank deposits denominated in Hong Kong dollar, RMB, EURO, Brazilian Reais and US Dollar. The Group continues to adopt a conservative approach in its foreign exchange exposure management. The Group did not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group reviews its foreign exchange risks periodically.

Employees and Remuneration Policies

As at 30 June 2025, the Group had 101 employees (30 June 2024: 193 employees; 31 December 2024: 164 employees). The number of headcount decreased during the period after implementation of strategic workforce alignment and cost optimisation measures. Remuneration of employees (including directors' emoluments) amounted to HK\$13.3 million for First Half 2025 (First Half 2024: HK\$28.8 million). The emolument policy for the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence with reference to the Board's corporate goals and objectives. The emoluments of the Directors are determined by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The Group believes that providing training opportunities and continuous development to its employees provides a solid foundation for the Group's continued success. The Group provides internal and external training for all employees. Employees will receive training depending on their different positions and ranks, so as to achieve different training purposes and effects that enable the Group to improve work efficiency and enhance employees' independent ability to work.



Prospects

Geely Technology Group Co., Ltd. is the indirect controlling shareholder of the Group. The Group has turned to a new chapter of development under this strong background. We will continue to deepen cooperation with Geely Technology Group Co., Ltd., our indirect controlling shareholder, and Zhejiang Geely Holding Group Company Limited, one of Fortune 500 companies, to foster synergies and jointly explore new development opportunities. These close partnerships bring valuable resources and support to the Group, enabling us to overcome challenges and achieve sustainable growth.

In order to support the sustainable business development and long-term strategy of the Group, the Company restructured the Board since the fourth quarter of 2024. The new Board leads the Group in addressing market challenges and seizing opportunities for development. In addition, we always remain committed to strengthening the internal management to enhance operational efficiency and risk management capability of the Group.

It is our long-term vision and goal to become a widely trusted green supplier of mineral resources, and to contribute to the sustainable development of the society.

In order to mitigate risks and ensure stable growth of the Group's business, we have adopted a prudent investment strategy by exiting projects that are not in line with the Group's vision, and progressively building a clearer business model focusing on resources, so as to more effectively meet the market demand and identify investment opportunities with resilience and stability.

Furthermore, we are actively promoting the environmental assessment works of Brazilian iron ore and gradually commencing our international and inland trade of ores business, while exploring and identifying new and sustainable businesses related to resources to enhance the competitiveness and long-term profitability of the Group. It is expected that the trade of ores business will bring contributions to the Group in the second half of 2025.

Corporate Governance

Throughout the six months ended 30 June 2025, the Company has complied with all Code Provisions as set out in Appendix 15 of the GEM Listing Rules.

The Company complied with the corporate governance code in Appendix C1 to the GEM Listing Rules throughout the six months ended 30 June 2025 with the exception of Code Provision C.2.1 and D.2.2. Code provision C.2.1 requires the roles of Chairman and Chief Executive of the Company should be separate and should not be performed by the same individual. The Board believes that Chairman and Chief Executive performed by the same individual enhances governance and strategic delivery, ultimately benefiting the Group's overall success. Details is discussed in the Chairman and Chief Executive Officers in this Corporate Governance Report. Under Code Provision D.2.2, the Group should have an internal audit function. The Company has no internal audit function because the Company has maintained an internal control system and its implementation has been considered effective by the audit committee and the Board. In addition, the audit committee has communicated with external auditor of the Company to understand if there is any material control deficiency. Nevertheless, the Company will review the need for one on an annual basis.



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

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

Long positions in the ordinary shares of HK\$0.001 each of the Company

Number of shares in the Company					
Name of director	Beneficial owner	Interest of spouse	Interest of controlled corporation	Total	Approximate percentage of shareholding (Note) (%)
Xu Zhihao	422,000,000	_	_	422,000,000	2.90

Note: The total number of issued shares as at 30 June 2025 (i.e. 14,554,533,606) has been used in the calculation of the approximate percentage.

Save as disclosed above, none of the Directors or chief executives of the Company had, as at 30 June 2025, any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 to 5.67 of the GEM Listing Rules.



SUBSCRIPTIONS OF 4,700,000,000 SHARES OF THE COMPANY

On 13 October 2024, the Company entered into subscription agreements (the "Subscription Agreements") with each of the subscribers Hong Bridge Capital Limited, the controlling shareholder of the Company and Mr. Xu Zhihao, the Chairman of the Company, pursuant to which each of Hong Bridge Capital Limited and Mr. Xu Zhihao has conditionally agreed to subscribe for, and the Company had conditionally agreed to allot and issue, 4,500,000,000 shares and 200,000,000 shares at the subscription price of HK\$0.08 per share, respectively (the "Subscriptions").

The gross proceeds from the Subscriptions, that was the total consideration of the Subscriptions, were HK\$376 million and the estimated net proceeds from the Subscriptions, after deduction of relevant legal and advisory costs, were be approximately HK\$375 million. In accordance with the announcement of the Company dated 13 February 2025, the Company intended to use the net proceeds from the Subscriptions for (i) iron ore project development in Brazil; (ii) working capital of Zhejiang Forever New Energy Company Limited; (iii) working capital for the headquarter of the Group in Hong Kong; and (iv) investment funds for potential projects. The Company considered that the Subscriptions would facilitate the development of the existing business of the Company and improve the financial position of the Group for its future development and working capital.

The subscription price of the subscription shares under the Subscription Agreements shall be paid via bank cheque in Hong Kong dollar or wire transfer. The subscription shares, when allotted and issued, will rank pari passu in all respects among themselves and with the shares in issue on the date of allotment and issue of the subscription shares. There is no restriction which apply to the subsequent sale of the subscription shares.

Hong Bridge Capital Limited is a direct controlling Shareholder and Mr. Xu is the Chairman of the Company. Accordingly, the transactions contemplated under the Subscription Agreements are connected transactions of the Company under the GEM Listing Rules. On 27 March 2025, the transactions under Subscription Agreements were completed and 4,700,000,000 shares were allotted to the subscribers.

Use of proceed from the Subscriptions

Usage	Planned use of net proceeds as disclosed in the announcement dated 13 February 2025 HK\$ million	Net proceeds utilised during the period ended 30 June 2025 HK\$ million	Net proceeds unutilised as at 30 June 2025 HK\$ million
Development of and investment in mineral-related			
projects	306.4	8.2	298.2
 Iron-ore project development in Brazil 	207.1	8.2	198.9
 Investment in mineral-related projects 	99.3	_	99.3
Operating fund for Zhejiang Forever New Energy			
Company Limited	25.0	_	25.0
Operating fund for the headquarters of the Group in			
Hong Kong	43.6	9.8	33.8
	375.0	18.0	357.0



MEMORANDUM OF STRATEGIC COOPERATION

On 8 August 2025, the Company entered into a non-legally binding memorandum of strategic cooperation (the "Memorandum") with Dongfang Yilin Industrial Co., Ltd. (東方億林實業有限公司) ("Dongfang Yilin"). Dongfang Yilin is an integrated operator of timber asset digitalization incorporated in China. Dongfang Yilin is an indirect non-wholly owned subsidiary of Geely Technology Group Co., Ltd., which is an indirect controlling shareholder of the Company.

Pursuant to the Memorandum, the parties, with Hainan Huanghuali (Dalbergia Odorifera) standing timber as the underlying asset, will jointly explore financialization pathways for precious timber resources, with the aim to drive the industrialization of ecological resources, the capitalization of ecological industries, the productization of ecological capital, and the marketization of ecological products. By integrating the latest trends in RWA (Real-World Asset Tokenization), stablecoins, and compliant digital currency issuance, the parties intend to establish a green economic ecosystem combining "precious timber industry resources + finance + blockchain". Besides, the parties will empower the in-depth transformation and upgrading of the traditional precious timber industry through technological innovation, driving the development of new quality productive forces. This initiative aims to activate a hundred-billion-level forest tenure trading market, establish a benchmark case for China's forest tenure system reform, and lay a solid foundation for the formation of a new agricultural and forestry economic model, thereby further contributing to rural revitalization and common prosperity.

SHARE OPTION SCHEME

The Company's existing share option scheme (the "Scheme") was adopted on 26 May 2022 and became effective on the same date.

Details of the principal terms of the Scheme are summarised below:

1. Purpose of the Scheme

The purpose of the Scheme is to provide incentives or rewards to Participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any invested Entity.

2. Participants of the Scheme

Participants are any Director, Eligible Employee, adviser, consultant, agent, contractor, customer and supplier of any member of the Group or any Invested Entity whom the Board in its sole discretion considers eligible for the Scheme on the basis of his/her contribution to the development and growth of the Group.

For the purposes of the Scheme, the Options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of Participants or any discretionary object of a Participant which is a discretionary trust.



SHARE OPTION SCHEME — CONTINUED

Total number of Shares available for issue under the Scheme

The total number of Shares available for issue under options which may be granted under the Scheme is 985,453,360 Shares, being 10% of the issued share capital immediately following adoption of the Scheme on 26 May 2022.

As at 30 June 2025, the total number of Shares available for issue pursuant to the grant of further options under the Scheme was 985,453,360, representing approximately 6.8% of the issued share capital of the Company as at 30 June 2025.

No share option was granted, exercised, cancelled or lapsed under the Scheme during the period ended 30 June 2025.

Maximum entitlement of each participant

Unless approved by the Shareholders in general meeting in the manner prescribed in the GEM Listing Rules, the total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Scheme and any other share option schemes of the Group (including both exercised and outstanding options) to each qualified Participant in any 12-month period shall not exceed 1% of the total number of Shares in issue for the time being (the "Individual Limit"). Any further grant of Options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to the Shareholders and the Shareholders' approval in general meeting of the Company with such Participant and his/her/its close associates (or his/her/its associate if the qualified Participant is a connected person) abstaining from voting.

Time of acceptance and exercise of options

An Option may be accepted by Participant within 21 days from the date of the offer of grant of the Option. An Option may be exercised in accordance with the terms of the Scheme at any time during the option period which the Board may in its sole and absolute discretion determine, save that such period shall end in any event not later than ten years from the date of grant of the Option and subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer of the grant of Options to a Grantee, there is no minimum period required under the Scheme for the holding of an option before it can be exercised.

An offer shall be deemed to have been accepted by Participant when the duplicate letter comprising acceptance of the offer duly signed by the Participant together with a non-refundable consideration of HK\$1.00 are received by the Company.



SHARE OPTION SCHEME — CONTINUED

6. Basis of determining the exercise price of the option

The exercise price will be determined by the Board as its absolute discretion and notified to a grantee. The minimum exercise price shall not be less than the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date;
- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) Business Days immediately preceding the Offer Date; and
- (c) the nominal value of the Shares on the Offer Date.

7. Remaining life of the Scheme

Subject to early termination of the Scheme pursuant to the terms thereof, the Scheme shall be valid and effective for a period of 10 years commencing from the date on which the Scheme becomes effective, i.e. 26 May 2022 and ending on 25 May 2032.

Details of the principal terms of the Scheme are summarised under the sub-section headed "SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME" in Appendix III to the Circular of the Company dated 3 May 2022.

As at 30 June 2025, no share options were outstanding under the Scheme.



SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT **POSITIONS IN THE SHARES AND UNDERLYING SHARES**

As at 30 June 2025, the following persons, other than the Directors or chief executives of the Company, had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO:

	Number of Shares in the Company				
Name of Shareholder	Beneficial owner	Interest of spouse	Interests of controlled corporation	Total number of shares held	Approximate percentage of shareholding (Note 6)
Li Shufu (Note 1)	103,064,000	50,000,000	9,700,374,675	9,853,438,675	67.70%
Hong Bridge Capital Limited (Note 5)	7,849,699,000	_	_	7,849,699,000	53.93%
Geely International (Hong Kong) Limited	1,850,675,675	-	-	1,850,675,675	12.72%
Zhejiang Geely Holding Group Company Limited (<i>Note 2</i>)	-	-	1,850,675,675	1,850,675,675	12.72%

Notes:

- Mr. LI Shufu holds 91.08% equity interest of Zhejiang Geely Holding Group Company Limited and 100% equity interest of Geely Group Limited. 1.
- 2. Zhejiang Geely Holding Group Company Limited holds 100% equity interest of Geely International (Hong Kong) Limited.
- Mr. LI Shufu holds 91% equity interest of Zhejiang Jidi Technology Co., Ltd. and 78.17% equity interest of Ningbo Ruima Enterprise Management 3. Partnership (LLP).
- Zhejiang Jidi Technology Co., Ltd. holds 45% equity interest of Geely Technology Group Co., Ltd. and Ningbo Ruima Enterprise Management 4. Partnership (LLP) holds 55% equity interest of Geely Technology Group Co., Ltd.
- Geely Technology Group Co., Ltd. indirectly holds 100% equity interest of Hong Bridge Capital Limited. 5.
- 6. The total number of issued shares as at 30 June 2025 (i.e. 14,554,533,606) has been used in the calculation of the approximate percentage.



CONTINUING CONNECTED TRANSACTIONS

The Sales Framework Agreement with Zhejiang Geely Holding Group Company Limited ("Zhejiang Geely")

Zhejiang Geely is ultimately controlled by Mr. Li Shufu, the controlling shareholder of the Company and therefore a connected person of the Company.

On 11 September 2023, the Company entered into a sales framework agreement (the "2023 Sales Agreement") with Zhejiang Geely, pursuant to which the Group will supply lithium-ion battery pack and related products to Zhejiang Geely and its subsidiaries (the "Zhejiang Geely Group") in accordance with the terms and conditions thereunder.

Reasons for and Benefits of the 2023 Sales Agreement

The Group has been engaged by Zhejiang Geely Group to supply lithium-ion battery pack and related products since 2017. It is expected that the Group will continue to do so in its ordinary and usual course of business upon expiry of the Sales Framework Agreement. The Directors are of the view that securing such renowned customers can effectively improve the Group's financial performance and deliver a stable income to the Group given there will be different vehicle brands under Zhejiang Geely Group using the powered batteries. Furthermore, the Directors consider that entering into the 2023 Sales Agreement which sets out the proposed Sales Annual Caps is constructive for the Group to sell the products and services thereunder, thereby benefiting the Group.

Principal terms of the 2023 Sales Agreement are set out below:

Term : From 23 October 2023 to 22 October 2026

Subject matters : Pursuant to the 2023 Sales Agreement, the Group shall supply lithium-ion battery pack

and related products to Zhejiang Geely Group. The exact model and volume of goods purchased by Zhejiang Geely Group from the Group and the dates of delivery will be

provided in separate purchase orders.

Pricing basis : The price of goods under the 2023 Sales Agreement will be negotiated on an arm's

length basis with reference to the prevailing market price and determined in the ordinary course of business on normal commercial terms or on terms no less favourable to the Company than those offered or available to independent third parties

and will be specified in separate purchase orders.

Payment terms : Payments for the products under the 2023 Sales Agreement shall be settled within 75

days from the date of receipt of the invoice and are satisfied in cash. The payment terms under the 2023 Sales Agreement are determined in the ordinary course of business and are on normal commercial terms or on terms no less favourable to the

Company than those offered or available to independent third parties.



Reasons for and Benefits of the 2023 Sales Agreement — Continued

For other details in relation to the 2023 Sales Agreement, please refer to the circular of the Company dated 19 October 2023.

Sales Annual Caps for the 2023 Sales Agreement

An extraordinary general meeting of the Company was held on 6 November 2023 and passed the resolution in relation to the Sales Framework Agreement with the following annual caps.

	For the period from 23 October 2023 to 31 December 2023 RMB'000	For the year ended 31 December 2024 RMB'000	For the year ending 31 December 2025 RMB'000	For the period from 1 January 2026 to 22 October 2026
Sales Annual Caps	50,000	235,000	155,000	97,000

Should the actual annual sales amount exceed the above annual caps, the Company will revise the annual caps in compliance with the relevant requirements under Chapter 20 of the GEM Listing Rules.

The Purchase Framework Agreement with Zhejiang Yaoning Technology Co. Ltd. ("Zhejiang Yaoning")

Mr. Li Xingxing is indirectly interested in 85% of the equity interests in Zhejiang Yaoning and is also the son of Mr. Li Shufu, the controlling shareholder of the Company. Thus, Zhejiang Yaoning is an associate of Mr. Li Shufu and is a connected person of the Company.

On 11 September 2023, the Company entered into a purchase framework agreement with Zhejiang Yaoning, pursuant to which the Group will purchase lithium-ion battery cells, modules and related products from Zhejiang Yaoning Group (the "Purchase Framework Agreement").

The transactions contemplated under the Purchase Framework Agreement between the Group and Zhejiang Yaoning Group will be conducted in the ordinary and usual course of business of the Group. The products purchased from Zhejiang Yaoning Group are a component part of the lithium-ion battery pack, and through the Purchase Framework Agreement, the Group will be able to leverage on this advantage and utilise these supply chain resources to secure a sizable and stable supply of lithium-ion battery cells, modules and related products. The Purchase Framework Agreements will also allow the Group to capture the synergy between Zhejiang Yaoning Group and the Group, and contribute to the operational and business development of the Group.



The Purchase Framework Agreement with Zhejiang Yaoning Technology Co. Ltd. ("Zhejiang Yaoning") — Continued

Principal terms of the Purchase Framework Agreement are set out below:

Term : From 11 September 2023 to 10 September 2026

Subject matters : Pursuant to the Purchase Framework Agreement, the Group shall purchase lithium-ion

battery cells, modules and related products from Zhejiang Yaoning Group. The exact model and volume of goods sold by Zhejiang Yaoning Group to the Group and the

dates of delivery will be provided in separate purchase orders.

Pricing basis : The price of goods under the Purchase Framework Agreement will be negotiated on an

arm's length basis with reference to the prevailing market price and determined in the ordinary course of business on normal commercial terms or on terms no less favourable than those offered by independent third parties and will be specified in

separate purchase orders.

Payment terms : Payments for the products under the Purchase Framework Agreement shall be settled

within 60 days from the date of receipt of the invoice and are satisfied in cash. The payment terms under the Purchase Framework Agreement are determined in the ordinary course of business on normal commercial terms or on terms no less

favourable to the Company than those offered by independent third parties.

For other details in relation to the Purchase Framework Agreement, please refer to the circular of the Company dated 19 October 2023.

Purchase Annual Caps for the Purchase Framework Agreement

An extraordinary general meeting of the Company was held on 6 November 2023 and passed the resolution in relation to the Purchase Framework Agreement with the following annual caps.

	For the period from 11 September 2023 to 31 December 2023 RMB'000	For the year ended 31 December 2024 RMB'000	For the year ending 31 December 2025 RMB'000	For the period from 1 January 2026 to 10 September 2026 RMB'000
Purchase Annual Caps	42,000	103,000	129,000	72,000

Should the actual annual purchase amount exceed the above annual caps, the Company will revise the annual caps in compliance with the relevant requirements under Chapter 20 of the GEM Listing Rules.



The Bauxite Purchase Framework Agreement with Geely Technology Group Company **Limited ("Geely Technology")**

Hong Bridge Capital holds approximately 53.93% of the total issued Shares of the Company and Hong Bridge Capital is an indirect subsidiary of Geely Technology. Hong Bridge Capital and Geely Technology are ultimately controlled by Mr. Li, the controlling shareholder of the Company. Thus, Geely Technology is a connected person of the Company.

On 27 January 2025, the Company and Geely Technology entered into the Bauxite Purchase Framework Agreement, pursuant to which Geely Technology Group shall supply bauxite related products to the Group.

Reasons for and benefits of entering into the Bauxite Purchase Framework Agreement

Geely Technology Group is engaged in various businesses, including the sale of bauxite related products under its new materials business segment. It received ownership and mining rights in a bauxite mine in Baise City in Guangxi Province in the PRC with an estimated annual production capacity of bauxite of two million tonnes.

The principal terms of the Bauxite Purchase Framework Agreement are set out as follows:

Term From 27 January 2025 to 31 December 2027

Subject matters Pursuant to the Bauxite Purchase Framework Agreement, Geely Technology Group

> shall supply bauxite related products to the Group. The exact type and amount of goods supplied to the Group by Geely Technology Group and the dates of delivery will

be provided in separate purchase orders.

Pricing basis The price of the products under the Bauxite Purchase Framework Agreement will be

> negotiated on an arm's length basis and determined in the ordinary course of business on normal commercial terms or on terms no less favourable to the Group than those offered by independent third parties, and will be specified in individual purchase orders. The abovementioned product prices will be determined mainly by reference to the market price of the same or similar products under the Bauxite Purchase

Framework Agreement.

Payment terms The Group shall pay Geely Technology Group for the products in cash five (5) days

> before delivery and the amount to be paid shall be calculated in accordance with the agreed amount of the products to be supplied in the current batch and the agreed unit price. Geely Technology Group will only deliver the products up to the amount covered by the advance payment paid by the Group. If there is any surplus from the advance payment made by the Group in the same month, the remaining advance payment (interest-free) shall be regarded as part of the advance payment for the next batch of products. If the Company fails to pay the advance payment as agreed, Geely Technology Group shall have the right to suspend supplying the products until the

Group settles such relevant amount.

For other details in relation to the Bauxite Purchase Framework, please refer to the circular of the Company dated 28 February 2025.



Purchase Annual Caps for the Bauxite Purchase Framework Agreement

An extraordinary general meeting of the Company was held on 17 March 2025 and passed the resolution in relation to the Bauxite Purchase Framework Agreement with following annual caps.

	For the period from 27 January 2025 to 31 December 2025	For the year ending 31 December 2026	For the year ending 31 December 2027 RMB'000
Purchase Annual Caps	300,000	370,000	370,000

Should the actual annual purchase amount exceed the above Annual Caps, the Company will revise the Annual Caps in compliance with the relevant requirements under Chapter 20 of the GEM Listing Rules.

The sales under the Sales Framework Agreement for First Half 2025 was approximately RMB0.9 million (equivalent to approximately HK\$1.0 million).

The purchase under the Purchase Framework Agreement for First Half 2025 was approximately RMB10.9 million (equivalent to approximately HK\$11.8 million).

No transaction for the purchase under the Bauxite Purchase Framework Agreement for First Half 2025.

Save as disclosed in this report, there was no other continuing connected transaction entered into by the Company in First Half 2025.

CONSTITUTIONAL DOCUMENTS OF THE COMPANY

There was no change in the Company's constitutional documents for First Half 2025.

INTERESTS IN COMPETING BUSINESS

None of the Directors or the controlling shareholders (as defined under the GEM Listing Rules) of the Company or their respective associates had any interest in a business which competes or may compete or had any conflicts of interest with the business of the Group for First Half 2025.



DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance in relation to which the Company, its holding company or subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period under review.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules for Directors.

All Directors have confirmed, following specific enquiry by the Company, their compliance with the required standards of dealings and its code of conduct regarding the directors' securities transaction throughout First Half 2025.

AUDIT COMMITTEE

The Company had established an audit committee with written terms of reference in compliance with Rule 5.28 and corporate governance code D.3.3 of the GEM Listing Rules.

The Group's unaudited results for First Half 2025 were reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures were made.

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

During First Half 2025, neither the Company, its ultimate holding company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.



DIRECTORS

The Directors of the Company during the period and up to the date of this report were:

Executive Directors

Mr. Xu Zhihao (Chairman and Chief Executive Officer)

Mr. Xu Bing

Mr. Chen Shengjie

Ms. Gu Wenting

Mr. Liu Wei, William (Retired on 1 April 2025)

Non-Executive Director

Mr. Yan Weimin (Retired on 23 June 2025)

Independent Non-Executive Directors

Dr. Wang Jiwei (Appointed on 23 June 2025)

Mr. Wang Baogang (Appointed on 23 June 2025)

Mr. Huang Yongzhong (Appointed on 23 June 2025)

Mr. Chan Chun Wai, Tony (Retired on 23 June 2025)

Mr. Ma Gang (Retired on 23 June 2025)

Mr. Ha Chun (Retired on 23 June 2025)

Details of appointment and retirement of directors have been set out in the announcement of the Company dated 1 April 2025 and 23 June 2025.

On behalf of the Board **Honbridge Holdings Limited Xu Zhihao** *Chairman*

Hong Kong, 28 August 2025