Yuxing InfoTech Investment Holdings Limited
裕興科技投資控股有限公司*

(Incorporated in Bermuda with limited liability)
Stock Code: 8005

2026
INTERIM REPORT

* for identification purposes only

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This report, for which the directors (the "Director(s)") of Yuxing InfoTech Investment Holdings Limited (the "Company") together with its subsidiaries (collectively, 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 Company. 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.

HIGHLIGHTS FOR THE SIX-MONTH PERIOD

- For the six months ended 30 June 2026, revenue of the Group was HK$16.5 million, representing a decrease of 63.3% as compared with the same period of the last fiscal year. The Group recorded the gross profit of HK$9.5 million for the six months ended 30 June 2026 (30 June 2025: HK$16.5 million).

- Loss attributable to owners of the Company for the six months ended 30 June 2026 amounted to HK$50.2 million (30 June 2025: HK$30.0 million).

- Basic loss per share for the six months ended 30 June 2026 was HK2.02 cents (30 June 2025: HK1.21 cents).

- Total equity attributable to owners of the Company as at 30 June 2026 was HK$1,544.1 million (31 December 2025: HK$1,580.3 million) or net assets per share of HK$0.62 (31 December 2025: HK$0.64).

- The Board does not recommend the payment of interim dividend for the six months ended 30 June 2026 (30 June 2025: Nil).

INTERIM RESULTS

The board of Directors of the Company (the "Board") is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2026 together with the comparative figures for the same periods in 2025, prepared in accordance with generally accepted accounting principles in Hong Kong, as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Note	Six months ended 30 June **2026** ***HK$'000***	2025 *HK$'000*
Revenue	*5*	**16,521**	44,974
Cost of sales		**(6,973)**	(28,428)
Gross profit		**9,548**	16,546
Other revenue and net income	*5*	**11,385**	11,680
Distribution and selling expenses		**(564)**	(959)
General and administrative expenses		**(46,298)**	(48,756)
Other operating expenses		**(11,622)**	(1,058)
Net changes in fair value of investment properties		**(11,666)**	(5,738)
Loss from operations		**(49,217)**	(28,285)
Finance costs	*6*	**(292)**	(171)
Share of results of associates		**(613)**	(1,438)
Loss before tax	*7*	**(50,122)**	(29,894)
Income tax expenses	*8*	**(132)**	(176)
Loss for the period		**(50,254)**	(30,070)
Loss attributable to:			
Owners of the Company		**(50,166)**	(29,992)
Non-controlling interests		**(88)**	(78)
		(50,254)	(30,070)
Loss per share	*10*		
– Basic		**(2.02) cents**	(1.21) cents
– Diluted		**(2.02) cents**	(1.21) cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Loss for the period	**(50,254)**	(30,070)
Other comprehensive income:		
Items that are reclassified or may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	**13,453**	2,021
Release of translation reserves upon disposal of a subsidiary	**544**	–
Total other comprehensive income for the period	**13,997**	2,021
Total comprehensive loss for the period	**(36,257)**	(28,049)
Total comprehensive loss attributable to:		
Owners of the Company	**(36,169)**	(27,971)
Non-controlling interests	**(88)**	(78)
	(36,257)	(28,049)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**30 June 2026** **HK$'000** **(Unaudited)**	31 December 2025 HK$'000 (Audited)
NON-CURRENT ASSETS			
Investment properties	11	**977,278**	978,809
Property, plant and equipment		**53,209**	65,158
Lease receivables	12	**3,560**	3,983
Right-of-use assets		**69,683**	71,151
Interests in associates		**15,066**	15,087
Deposits paid	13	**3,369**	4,484
Prepayments for construction	13	**8,927**	6,266
Financial assets at fair value through profit or loss	14	**198,288**	205,213
		1,329,380	1,350,151
CURRENT ASSETS			
Cryptocurrencies	16	**40,556**	85,449
Inventories		**10,618**	9,142
Loans receivable	17	**30,678**	23,352
Trade and other receivables	13	**423,922**	378,316
Financial assets at fair value through profit or loss	14	**7,706**	4,161
Income tax recoverable		**583**	561
Pledged bank deposits		**200**	200
Cash and bank balances		**18,970**	35,498
		533,233	536,679

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
CURRENT LIABILITIES			
Trade and other payables	18	290,331	259,332
Dividend payables		31	31
Bank and other loans	19	2,827	22,189
Lease liabilities		2,889	3,313
		296,078	284,865
NET CURRENT ASSETS		237,155	251,814
TOTAL ASSETS LESS CURRENT LIABILITIES		1,566,535	1,601,965
NON-CURRENT LIABILITIES			
Deferred tax liabilities		12,526	12,046
Income tax payable		6,192	6,192
Lease liabilities		7,738	7,391
		26,456	25,629
NET ASSETS		1,540,079	1,576,336
EQUITY			
Share capital	20	62,193	62,193
Reserves		1,481,912	1,518,081
Equity attributable to owners of the Company		1,544,105	1,580,274
Non-controlling interests		(4,026)	(3,938)
TOTAL EQUITY		1,540,079	1,576,336

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Attributable to owners of the Company										
	Share capital *HK$'000*	Share premium *HK$'000*	Statutory reserves *HK$'000*	Contributed surplus *HK$'000*	Property revaluation reserves *HK$'000*	Translation reserves *HK$'000*	Other reserves *HK$'000*	Retained profits *HK$'000*	Total *HK$'000*	Non-controlling interests *HK$'000*	Total equity *HK$'000*
As at 1 January 2026	62,193	280,057	8,668	234,621	84,992	10,369	2,920	896,454	1,580,274	(3,938)	1,576,336
Loss for the period	-	-	-	-	-	-	-	(50,166)	(50,166)	(88)	(50,254)
Other comprehensive income:											
Exchange differences arising on translation of foreign operations	-	-	-	-	-	13,453	-	-	13,453	-	13,453
Release of translation reserves upon disposal of a subsidiary	-	-	-	-	-	544	-	-	544	-	544
Total other comprehensive income	-	-	-	-	-	13,997	-	-	13,997	-	13,997
Total comprehensive loss for the period	-	-	-	-	-	13,997	-	(50,166)	(36,169)	(88)	(36,257)
As at 30 June 2026	62,193	280,057	8,668	234,621	84,992	24,366	2,920	846,288	1,544,105	(4,026)	1,540,079

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Attributable to owners of the Company										
	Share capital *HK$'000*	Share premium *HK$'000*	Statutory reserves *HK$'000*	Contributed surplus *HK$'000*	Property revaluation reserves *HK$'000*	Translation reserves *HK$'000*	Other reserves *HK$'000*	Retained profits *HK$'000*	Total *HK$'000*	Non-controlling interests *HK$'000*	Total equity *HK$'000*
As at 1 January 2025	62,193	280,057	8,668	234,621	84,992	4,894	2,920	960,667	1,639,012	(3,593)	1,635,419
Loss for the period	–	–	–	–	–	–	–	(29,992)	(29,992)	(78)	(30,070)
Other comprehensive income:											
Exchange differences arising on translation of foreign operations	–	–	–	–	–	2,021	–	–	2,021	–	2,021
Total other comprehensive income	–	–	–	–	–	2,021	–	–	2,021	–	2,021
Total comprehensive loss for the period	–	–	–	–	–	2,021	–	(29,992)	(27,971)	(78)	(28,049)
As at 30 June 2025	62,193	280,057	8,668	234,621	84,992	6,915	2,920	930,675	1,611,041	(3,671)	1,607,370

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
OPERATING ACTIVITIES		
Cash generated from operations	**19,219**	715
Income tax paid, net	**(132)**	(176)
Net cash from operating activities	**19,087**	539
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(180)**	(7,018)
Purchase of investment properties	**(5,179)**	–
Proceeds from disposal of property, plant and equipment	**–**	276
Acquisition of interests in associates	**–**	(5,044)
Increase in prepayment for construction	**(2,661)**	(3,709)
Interest received	**443**	268
Grant of new loans receivable	**(9,238)**	(7,493)
Repayment of loans receivable	**2,214**	7,518
Net cash used in investing activities	**(14,601)**	(15,202)
FINANCING ACTIVITIES		
Principal elements of lease payments	**(1,763)**	(1,348)
Repayment of bank and other loans	**(19,362)**	–
Interest paid	**(292)**	(171)
Net cash used in financing activities	**(21,417)**	(1,519)
Net decrease in cash and cash equivalents	**(16,931)**	(16,182)
Cash and cash equivalents at beginning of reporting period	**35,698**	35,009
Effect of foreign exchange rate changes	**403**	(315)
Cash and cash equivalents at end of reporting period	**19,170**	18,512
Analysis of the balances of cash and cash equivalents:		
—Funds held by securities brokers	**93**	93
—Cash at bank and in hand	**18,877**	18,219
—Pledged bank deposits with maturity less than three months	**200**	200
	19,170	18,512

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Yuxing InfoTech Investment Holdings Limited (the "Company") is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office of the Company is Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda. The principal place of business in Hong Kong is Unit 5–6, 9/F, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in the businesses of information home appliances ("IHA"), internet data centre ("IDC"), investing and leasing.

2. BASIS OF PREPARATION

The Group's unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure provisions of the GEM Listing Rules. These condensed consolidated interim financial statements are unaudited but have been reviewed by the Company's audit committee.

These unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025. They have been prepared on the historical cost basis, except for investment properties and financial assets at fair value through profit or loss ("FVPL"), which are measured at fair value.

The accounting policies used in preparing these unaudited condensed consolidated interim financial statements are consistent with those used in the Group's audited consolidated financial statements for the year ended 31 December 2025, except for the adoption of the new/revised Hong Kong Financial Reporting Standards ("HKFRSs") and HKASs which are relevant to the Group's operation and are effective for the Group's financial year beginning on 1 January 2026 as described below.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Annual Improvements to HKFRS Accounting Standards	Volume 11
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity

The adoption of these amendments to HKASs and HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current and prior periods.

3. FAIR VALUE MEASUREMENTS

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair Value Measurement*. The level into which a fair value measurement classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3 (lowest level): unobservable inputs for the assets or liabilities.

The Group engages independent professional qualified valuers to perform valuations of certain financial instruments, including financial assets at FVPL categorised into Level 3 of the fair value hierarchy. The professional valuers prepare valuation reports with analyses of changes in fair value measurement at each reporting date. The valuations are reviewed and approved by the Directors. The valuation process and results are discussed with the audit committee twice a year to coincide with the reporting dates.

Financial assets measured at fair value on a recurring basis

	As at 30 June 2026			
	Carrying Amount *HK$'000*	**Level 1** *HK$'000*	**Level 2** *HK$'000*	**Level 3** *HK$'000*
Financial assets at FVPL				
Listed equity securities				
– Hong Kong	28,425	28,425	–	–
– Outside Hong Kong	233	233	–	–
Money market funds	4,179	4,179	–	–
Private investment fund	2,092	–	2,092	–
Unlisted equity securities	171,065	–	17,407	153,658

3. FAIR VALUE MEASUREMENTS *(Continued)*

Financial assets measured at fair value on a recurring basis (Continued)

	As at 31 December 2025			
	Carrying Amount *HK$'000*	Level 1 *HK$'000*	Level 2 *HK$'000*	Level 3 *HK$'000*
Financial assets at FVPL				
Listed equity securities				
– Hong Kong	20,072	20,072	–	–
– Outside Hong Kong	448	448	–	–
Private investment fund	2,222	–	2,222	–
Unlisted equity securities	186,632	–	27,231	159,401

During the six months ended 30 June 2026 and 2025, there was no transfer between Level 1 and Level 2, or transfer into or out of Level 3 fair value measurements.

Valuation techniques and inputs in Level 2 fair value measurement

(a) Financial assets at FVPL: Private investment fund

As at 30 June 2026, the fair value of a private investment fund of HK$2,092,000 (31 December 2025: HK$2,222,000) was valued based on the net asset value of each fund unit quoted by the investment manager.

(b) Financial assets at FVPL: Unlisted equity securities

Included in financial assets at FVPL are unlisted equity securities of HK$17,407,000 (31 December 2025: HK$27,231,000) traded in the Over-the-Counter market in the United States. The fair value of the unlisted equity securities is determined with the broker quotes.

Movements in Level 3 fair value measurements

The details of the movements of the recurring fair value measurements categorised as Level 3 for the six months ended 30 June 2026 and 2025 are shown as follows:

	Financial assets at FVPL	
	30 June 2026 ***HK$'000***	30 June 2025 *HK$'000*
At beginning of the reporting period	**159,401**	166,932
Net changes in fair value recognised in profit or loss	**(5,743)**	(2,194)
At end of the reporting period	**153,658**	164,738

3. FAIR VALUE MEASUREMENTS *(Continued)*

Valuation techniques and inputs in Level 3 fair value measurement

As at 30 June 2026

Description	Fair value	Valuation techniques	Unobservable inputs	Range	Increase/ (Decrease) in unobservable inputs	Favourable/ (Unfavourable) impact on profit or loss
	HK$'000					*HK$'000*
Financial assets at FVPL						
– Unlisted equity securities	78,655	Market comparable companies	Enterprise-value-to-revenue ratio	10.378	10% (10%)	12,965 (12,965)
	75,003	Income approach	Discount rate	19.9%	10% (10%)	(30,482) 41,145

As at 31 December 2025

Description	Fair value	Valuation techniques	Unobservable inputs	Range	Increase/ (Decrease) in unobservable inputs	Favourable/ (Unfavourable) impact on profit or loss
	HK$'000					*HK$'000*
Financial assets at FVPL						
– Unlisted equity securities	84,398	Market comparable companies	Enterprise-value-to-revenue ratio	11.141	10% (10%)	14,449 (14,449)
	75,003	Income approach	Discount rate	19.9%	10% (10%)	(30,482) 41,145

4. SEGMENT INFORMATION

Information reported to executive Directors and chief executive officer of the Company, being the chief operating decision-makers ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

The Group's reportable segments under HKFRS 8 are as follows:

- IHA: Sales and distribution of IHA and complementary products and provision of ancillary services

- IDC: Development, construction, operation, mergers, acquisitions and leasing of properties and facilities used by IDC

- Investing: Investing in digital assets and financial instruments

- Leasing: Leasing out of properties

The other operations segment of the Group mainly consists of trading in miscellaneous goods, the provision of cloud computing services and the development of mobile app social platform.

For the purpose of assessing the performance of the operating segments and allocating resources between segments, the executive Directors assess segment profit or loss before tax without allocation of interest income from bank deposits, unallocated other income and administrative expenses, finance costs and share of results of associates and the basis of preparing such information is consistent with that of the unaudited condensed consolidated interim financial statements.

The CODM make decisions according to the operating results of such segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Inter-segment sales transactions are charged at prevailing market rates.

4. SEGMENT INFORMATION *(Continued)*

Segment revenue and results

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

For the six months ended 30 June 2026:

	IHA HK$'000	IDC HK$'000	Investing HK$'000	Leasing HK$'000	Other operations HK$'000	Elimination HK$'000	Consolidated HK$'000
REVENUE	9,347	7,174	–	–	–	–	16,521
OTHER REVENUE AND NET INCOME/(LOSS)	1,222	11,700	(8,153)	6,411	2	(6)	11,176
NET CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES	–	–	–	(11,666)	–	–	(11,666)
Segment revenue	10,569	18,874	(8,153)	(5,255)	2	(6)	16,031
RESULTS							
Segment results	754	(2,188)	(8,441)	(8,144)	(6,343)	–	(24,362)
Unallocated net income							147
Interest income from bank deposits							62
Other unallocated corporate expenses							(25,064)
Loss from operations							(49,217)
Finance costs							(292)
Share of results of associates							(613)
Loss before tax							(50,122)
Income tax expenses							(132)
Loss for the period							(50,254)

4. SEGMENT INFORMATION *(Continued)*

For the six months ended 30 June 2025:

	IHA *HK$'000*	IDC *HK$'000*	Investing *HK$'000*	Leasing *HK$'000*	Other operations *HK$'000*	Elimination *HK$'000*	Consolidated *HK$'000*
REVENUE	31,860	13,114	–	–	–	–	44,974
OTHER REVENUE AND NET INCOME/(LOSS)	482	–	3,424	6,702	–	(6)	10,602
NET CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES	–	–	–	(5,738)	–	–	(5,738)
Segment revenue	32,342	13,114	3,424	964	–	(6)	49,838
RESULTS							
Segment results	4,133	(250)	3,009	(1,870)	(12,308)	–	(7,286)
Unallocated net income							992
Interest income from bank deposits							86
Other unallocated corporate expenses							(22,077)
Loss from operations							(28,285)
Finance costs							(171)
Share of results of associates							(1,438)
Loss before tax							(29,894)
Income tax expenses							(176)
Loss for the period							(30,070)

4. SEGMENT INFORMATION *(Continued)*

Geographical information

The Group operates in the following principal geographical areas: the People's Republic of China (the "PRC"), Hong Kong, Australia, the United States and other overseas markets.

The following table sets out information about the geographical location of (a) the Group's revenue; and (b) other revenue and net income/(loss) other than unallocated net income and interest income from bank deposits. The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of other revenue and net income is based on the location at which other revenue and net income is generated.

(a) Revenue

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Australia	**2,367**	19,643
The United States	**–**	3,314
The PRC	**4,295**	7,940
Hong Kong	**9,498**	10,534
Other overseas markets	**361**	3,543
	16,521	44,974

4. SEGMENT INFORMATION *(Continued)*

Geographical information (Continued)

(b) Other revenue and net income/(loss)

Six months ended 30 June 2026

	IHA	IDC	Investing	Leasing	Other operations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Hong Kong	3	–	(8,153)	76	–	(8,074)
The PRC	1,219	11,700	–	6,290	2	19,211
Other overseas markets	–	–	–	39	–	39
	1,222	11,700	(8,153)	6,405	2	11,176

Six months ended 30 June 2025

	IHA	IDC	Investing	Leasing	Other operations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Hong Kong	33	–	3,424	51	–	3,508
The PRC	449	–	–	6,568	–	7,017
Other overseas markets	–	–	–	77	–	77
	482	–	3,424	6,696	–	10,602

5. REVENUE, OTHER REVENUE AND NET INCOME

	Six months ended 30 June 2026 HK$'000	2025 HK$'000
Revenue		
Revenue recognised at a point in time under HKFRS 15:		
IHA:		
Sale of goods	6,658	26,539
Ancillary service income	2,689	5,321
IDC:		
Rental income from IDC properties and facilities	7,174	13,114
	16,521	44,974
Other revenue		
Rental income from investment properties	6,100	6,508
Exclusivity income from IDC properties	11,700	–
Interest income from net investment under finance lease	147	–
Interest income calculated using the effective interest method:		
Interest income from bank deposits	62	86
Interest income from loans receivable	532	305
	18,541	6,899
Other net income		
Foreign exchange gains, net	138	498
Net fair value (losses)/gains on financial assets at FVPL	(7,556)	1,177
Gain on disposal of property, plant and equipment	–	273
(Loss)/Gain on disposal of cryptocurrencies	(113)	2,253
Gain on disposal of a subsidiary	2	–
Consultancy income	–	322
Sundry income	373	258
	(7,156)	4,781
	11,385	11,680

6. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Borrowing costs for bank and other loans	**124**	13
Imputed interest expenses on lease liabilities	**168**	158
	292	171

7. LOSS BEFORE TAX

Loss before tax has been arrived at after charging/(crediting) the following items:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Write-down/(Reversal of write-down) of inventories, net	**464**	(116)
Depreciation of right-of-use assets	**3,130**	3,070
Depreciation of property, plant and equipment *(Note)*	**2,342**	6,032

Note:

Depreciation of property, plant and equipment for the six months ended 30 June 2026 included depreciation of IDC facilities of HK$1,226,000 (30 June 2025: HK$4,790,000) recognised as cost of sales for the period.

8. INCOME TAX EXPENSES

The taxation charged to profit or loss represents:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Current tax expenses		
PRC corporate income tax		
– Current year	**4**	176
Germany corporate income tax		
– Underprovision in respect of prior year	**128**	–
	132	176

No Hong Kong Profits Tax has been provided for the six months ended 30 June 2026 and 2025 as the Group did not have any assessable profit from Hong Kong for both periods.

The income tax provision in respect of operations in the PRC is calculated at the corporate income tax ("CIT") rate of 25% on the estimated assessable profits for the six months ended 30 June 2026 and 2025 based on existing legislation, interpretations and practices in respect thereof. Certain subsidiaries of the Company have been designated as "Small-Scale and Low-Profit Enterprises" which are charged at the effective preferential CIT rates of 5% (30 June 2025: 5%) on condition that the annual taxable income was no more than RMB1.0 million or between RMB1.0 million to RMB3.0 million for the six months ended 30 June 2026.

The operation of the Group in the United States is subject to the United States Federal and State Income Tax. For the six months ended 30 June 2026 and 2025, the United States Federal and State Income Tax has not been provided as the Group did not generate any assessable profit in the United States.

Under the United States domestic tax laws, a foreign person is subject to 30% income tax on the gross amount of certain United States-source (non-business) income. Withholding tax has not been provided for the six months ended 30 June 2026 and 2025 because no interest income was charged to the subsidiary during both periods.

The operation of the Group in Germany is subject to the Germany Corporate Tax and Municipal Trade Tax. For the six months ended 30 June 2026 and 2025, the Germany Corporate Tax and Municipal Trade Tax has not been provided as the Group did not generate any assessable profit in Germany.

9. DIVIDENDS

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2026 (30 June 2025: Nil).

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Loss attributable to owners of the Company	**(50,166)**	(29,992)
	'000	*'000*
Issued ordinary shares at 1 January and 30 June	**2,487,705**	2,487,705
Weighted average number of ordinary shares for basic loss per share	**2,487,705**	2,487,705
Weighted average number of ordinary shares for diluted loss per share	**2,487,705**	2,487,705
Loss per share:		
– Basic	**(2.02) cents**	(1.21) cents
– Diluted *(Note)*	**(2.02) cents**	(1.21) cents

Note:

Diluted loss per share was the same as the basic loss per share as there were no dilutive potential ordinary shares in existence during the six months ended 30 June 2026 and 2025.

11. INVESTMENT PROPERTIES

	30 June 2026 HK$'000	31 December 2025 HK$'000
At beginning of the reporting period	978,809	133,132
Additions	5,180	218
Construction rectification	–	(331)
Transfer from assets classified as held-for-sale	–	850,200
Net changes in fair value	(11,666)	(7,652)
Exchange realignment	4,955	3,242
At end of the reporting period	977,278	978,809

12. LEASE RECEIVABLES

The Group as lessor

Lease receivables	30 June 2026 HK$'000	31 December 2025 HK$'000
Under finance lease		
Net investment	4,712	5,064
Current portion (included in other receivables)	1,152	1,081
Non-current portion	3,560	3,983
	4,712	5,064

On 13 March 2025, the Group entered into a finance lease agreement (the "Finance Lease Agreement") with Chengdu Wuhou Ganluhai Tibetan Hospital Co., Ltd* (成都武侯甘露海藏醫院有限公司) ("Chengdu Ganluhai") to purchase and lease back certain machinery and equipment used in pharmaceutical production (the "Leased Assets"). In accordance with the Finance Lease Agreement, the Group agreed to purchase the Leased Assets at a consideration (before tax) of RMB5,960,000 (equivalent to HK$6,512,000) and to lease the Leased Assets to Chengdu Ganluhai for a term of five years. Upon the expiration of the lease period, Chengdu Ganluhai may purchase back the Leased Assets from the Group at the consideration of nominal price of RMB100.

* *For identification purposes only*

13. TRADE AND OTHER RECEIVABLES AND PREPAYMENT FOR CONSTRUCTION

	Note	30 June 2026 HK$'000	31 December 2025 HK$'000
Trade receivables		76,665	62,956
Less: Loss allowance		(33,211)	(33,211)
	(a)	43,454	29,745
Receivables from disposal of a subsidiary		257	257
Earnest money paid for procurement of intangible assets	(b)	65,623	63,109
Lease receivables	12	1,152	1,081
Other receivables, net of loss allowance	(c)	29,907	21,630
Prepayments and deposits, net of loss allowance	(d)	286,898	266,978
Prepayments for construction		8,927	6,266
		436,218	389,066
Current portion		423,922	378,316
Non-current portion		12,296	10,750
		436,218	389,066

Notes:

(a) The ageing analysis of trade receivables (net of loss allowance) by invoice date at the end of the reporting period is as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
0–30 days	7,072	3,399
31–60 days	6,263	1,936
61–90 days	1,600	1,599
Over 90 days	28,519	22,811
	43,454	29,745

13. TRADE AND OTHER RECEIVABLES AND PREPAYMENT FOR CONSTRUCTION *(Continued)*

Notes: (Continued)

(b) Earnest money of RMB57,000,000 (equivalent to HK$65,623,000) (31 December 2025: RMB57,000,000 (equivalent to HK$63,109,000)) was paid for the procurement of hash-rate capacity which was recognised as intangible assets of the Group which was fully impaired in prior years. The earnest money will be refunded to the Group upon settlement of the remaining outstanding payables for the procurement of hash-rate capacity (note 18(b)(i)).

(c) Included in other receivables are RMB10,850,000 (equivalent to HK$12,491,000) (31 December 2025: RMB10,850,000 (equivalent to HK$12,012,000)) related to upfront payments made for the research and development services associated with the construction and technical development of the traditional Chinese medicine mRNA database (the "Development"). As at 30 June 2026, the Group has commitment in relation to the Development amounted to RMB32,340,000 (equivalent to HK$37,232,000) (31 December 2025: RMB32,340,000 (equivalent to HK$35,806,000)).

(d) Included in prepayments and deposits, net of loss allowance are the following balances:

(i) Trading deposits of a total sum of RMB190,082,000 (equivalent to HK$218,837,000) (31 December 2025: RMB190,082,000 (equivalent to HK$210,453,000)) before loss allowances were paid to Zhongda Bocheng Energy Technology (Shenzhen) Limited* (中達博誠能源科技(深圳)有限公司) ("Zhongda Bocheng"), an independent third party for the purchase of cryptocurrency mining machines which will be held for trading purpose. On the other hand, RMB110,000,000 (equivalent to HK$126,641,000) (31 December 2025: RMB110,000,000 (equivalent to HK$121,789,000)) were received from Zhongda Bocheng as a performance bond, which is not available to set-off against the trading deposits aforesaid and recognised as other payables (note 18(b)(ii)). The Group partially terminated the purchase of cryptocurrency mining machines and the trading deposits of RMB49,977,000 (equivalent to HK$57,537,000) will be refunded to the Group before 31 December 2026 in accordance with the termination agreement signed with Zhongda Bocheng. For the remaining prepayments of RMB140,105,000 (equivalent to HK$161,300,000), the Group and Zhongda Bocheng entered into an extension agreement to extend the delivery of the cryptocurrency machines to December 2026.

(ii) Earnest money of an aggregate of US$3,200,000 (equivalent to HK$24,960,000) (31 December 2025: US$3,200,000 (equivalent to HK$24,960,000)) before loss allowances was paid to an independent third party (the "Vendor") for a global sale project under a corporation agreement (the "Agreement"). The interest of a wholly-owned subsidiary of the Vendor was charged as collateral of such earnest money. The Group had terminated the Agreement with the Vendor and requested a refund of such earnest money. Enforcement letters had been issued to the Vendor following the termination.

* *For identification purposes only*

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	30 June 2026 HK$'000	31 December 2025 HK$'000
Equity securities listed in Hong Kong	(a)	28,425	20,072
Equity securities listed outside Hong Kong	(a)	233	448
Money market funds	(a)	4,179	–
Private investment fund	(b)	2,092	2,222
Unlisted equity securities	(c)	171,065	186,632
		205,994	209,374
Current portion		7,706	4,161
Non-current portion		198,288	205,213
		205,994	209,374

Notes:

(a) The fair values of listed equity securities and money market funds are based on quoted market prices in active markets at the end of the reporting period.

(b) As at 30 June 2026, the fair value of the private investment fund of HK$2,092,000 (31 December 2025: HK$2,222,000) was valued based on the net asset value of each fund unit quoted by the investment manager. The valuation techniques and inputs applied for fair value measurement have been disclosed in note 3.

(c) The investments in unlisted equity securities of companies incorporated in the Cayman Islands and Hong Kong of HK$153,658,000 (31 December 2025: HK$159,401,000) are not held for trading. The valuation techniques and inputs applied for fair value measurement have been disclosed in note 3.

As at 30 June 2026, the fair value of the unlisted equity securities of HK$17,407,000 (31 December 2025: HK$27,231,000) traded in the Over-the-Counter market in the United States is determined with the broker quotes. The fair value measurement have been disclosed in note 3.

15. INVESTMENT PORTFOLIO

The Group's ten largest investments, including individual investments with value exceeding 5% of the Group's total assets, as at 30 June 2026 and 31 December 2025 with brief description of the investee companies are as follows:

As at 30 June 2026

Stock code	Name of investee company	*Note*	Number of shares held	Effective shareholding interest	Acquisition cost *HK$'000*	Fair value *HK$'000*	Accumulated unrealised holding gain/(loss) arising on revaluation from the date of acquisition to 30 June 2026 *HK$'000*	Net gain/(loss) for the six months ended 30 June 2026 *HK$'000*	Dividend received for the six months ended 30 June 2026 *HK$'000*	Classification of financial assets
	Listed equity securities									
0641	CHTC Fong's International Company Limited	*(a)*	1,176,000	0.11%	2,629	465	(2,164)	118	–	FVPL
8137	Honbridge Holdings Limited	*(c)*	43,212,000	0.30%	58,395	27,223	(31,172)	8,641	–	FVPL
9988	Alibaba Group Holdings Limited	*(d)*	7,500	*	713	696	(17)	(376)	–	FVPL
LU	Lufax Holding Ltd (American depositary shares)	*(e)*	22,500	*	9,427	233	(9,194)	(215)	–	FVPL
	Money market funds									
	Industrial and Commercial Bank of China Limited	*(f)*	N/A	N/A	4,179	4,179	–	–	–	FVPL
	Private investment fund									
	GoldenFuture Capital Investment Ltd.	*(g)*	N/A	N/A	1,560	2,092	532	(130)	–	FVPL
	Unlisted equity securities									
	APAL Holdings Limited	*(h)*	100,000,000	9.47%	78,000	78,655	655	(5,743)	–	FVPL
DIDIY	DiDi Global Inc. (American depositary shares)	*(i)*	662,600	0.01%	12,729	17,407	4,678	(9,824)	–	FVPL
	HK Zxoud Limited	*(j)*	N/A	10%	11,800	–	(11,800)	–	–	FVPL
	Profound View Group	*(k)*	1,199	10.71%	66,000	75,003	9,003	–	–	FVPL

The above investments represented in aggregate over 99% in value of the Group's investments. Apart from the ten largest investments listed above, the Group also held various other individual investments with value representing below 1% of the Group's total assets as at 30 June 2026.

* The effective shareholding interest is below 0.01%.

15. INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2025

Stock code	Name of investee company	*Note*	Number of shares held	Effective shareholding interest	Acquisition cost *HK$'000*	Fair value *HK$'000*	Accumulated unrealised holding gain/(loss) arising on revaluation from the date of acquisition to 31 December 2025 *HK$'000*	Net gain/(loss) for the year ended 31 December 2025 *HK$'000*	Dividend received for the year ended 31 December 2025 *HK$'000*	Classification of financial assets
	Listed equity securities									
0641	CHTC Fong's International Company Limited	*(a)*	1,176,000	0.11%	2,629	347	(2,282)	6	–	FVPL
1918	Sunac China Holdings Limited	*(b)*	250,000	*	469	59	(410)	(46)	–	FVPL
8137	Honbridge Holdings Limited	*(c)*	43,212,000	0.30%	58,395	18,582	(39,813)	(6,049)	–	FVPL
9988	Alibaba Group Holdings Limited	*(d)*	7,500	*	713	1,072	359	454	15	FVPL
LU	Lufax Holding Ltd (American depositary shares)	*(e)*	22,500	*	9,427	448	(8,979)	30	–	FVPL
	Private investment fund									
	GoldenFuture Capital Investment Ltd.	*(g)*	N/A	N/A	1,560	2,222	662	662	–	FVPL
	Unlisted equity securities									
	APAL Holdings Limited	*(h)*	100,000,000	9.47%	78,000	84,398	6,398	6,487	–	FVPL
DIDIY	DiDi Global Inc. (American depositary shares)	*(i)*	662,600	0.01%	12,729	27,231	14,502	3,709	–	FVPL
	HK Zxoud Limited	*(j)*	N/A	10%	11,800	–	(11,800)	(2,394)	–	FVPL
	Profound View Group	*(k)*	1,199	10.71%	66,000	75,003	9,003	(11,624)	–	FVPL

The above investments represented in aggregate over 99% in value of the Group's investments. Apart from the ten largest investments listed above, the Group also held various other individual investments with value representing below 1% of the Group's total assets as at 31 December 2025.

* The effective shareholding interest is below 0.01%.

15. INVESTMENT PORTFOLIO *(Continued)*

Notes:

(a) CHTC Fong's International Company Limited ("CHTC") was incorporated in Bermuda with limited liability, and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 0641). CHTC is principally engaged in manufacture and sale of dyeing and finishing machines, manufacture and sale of stainless-steel casting products and trading of stainless-steel supplies. For the year ended 31 December 2025, the audited consolidated profit attributable to owners of CHTC was HK$4,202,000 (30 June 2025: HK$16,448,000 (unaudited)) with basic and diluted earnings per share of HK0.38 cent (30 June 2025: HK1.49 cents). As at 31 December 2025, its audited consolidated total equity attributable to the owners was HK$1,046,627,000 (30 June 2025: HK$1,074,259,000 (unaudited)).

(b) Sunac China Holdings Limited ("Sunac") was incorporated in the Cayman Islands with limited liability, and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 1918). Sunac is principally engaged in property development and investment, cultural and tourism city construction and operation, property management services and other services in the PRC. For the year ended 31 December 2025, the audited consolidated loss attributable to owners of Sunac was RMB12,329,083,000 (30 June 2025: RMB12,808,660,000 (unaudited)) with basic and diluted loss per share of RMB1.14 (30 June 2025: RMB1.26). As at 31 December 2025, its audited consolidated total equity attributable to the owners was RMB34,165,011,000 (30 June 2025: RMB30,851,724,000 (unaudited)).

(c) Honbridge Holdings Limited ("Honbridge") was incorporated in the Cayman Islands as an exempted company with limited liability, and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 8137). Honbridge is principally engaged in the exploration of mineral resources and the production of lithium batteries. For the year ended 31 December 2025, the audited consolidated loss attributable to owners of Honbridge was HK$46,738,000 (30 June 2025: HK$32,562,000 (unaudited)) with basic and diluted loss per share of HK0.33 cent (30 June 2025: HK0.27 cent). As at 31 December 2025, its audited consolidated total equity attributable to the owners was HK$4,348,302,000 (30 June 2025: HK$4,437,275,000 (unaudited)).

(d) Alibaba Group Holding Limited ("Alibaba") was incorporated in the Cayman Islands with limited liability, and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 9988). Alibaba is principally engaged in providing e-commerce and technology infrastructure services to merchants, brands, retailers, and businesses to market, sell, and operate using the Internet. For the year ended 31 March 2026, the audited consolidated profit attributable to owners of Alibaba was RMB105,904,000,000 (30 September 2025: RMB64,106,000,000 (unaudited)) with basic and diluted earnings per share of RMB5.7 and RMB5.5 (30 September 2025: RMB3.45 and RMB3.34), respectively. As at 31 March 2026, its audited consolidated total equity attributable to the owners was RMB1,060,886,000,000 (30 September 2025: RMB1,032,495,000,000 (unaudited)).

15. INVESTMENT PORTFOLIO *(Continued)*

Notes: (Continued)

(e) Lufax Holding Ltd ("Lufax") was incorporated in the Cayman Islands with limited liability, and its American depositary shares ("ADS") (each representing two ordinary shares) are listed on the New York Stock Exchange (Stock Code: LU). Lufax is principally engaged in offering financial products to small and micro businesses as a financial services empowering institution in the PRC. For the year ended 31 December 2025, the audited consolidated loss attributable to owners of Lufax was RMB2,097,678,000 (30 June 2025: RMB767,235,000 (unaudited)) with basic and diluted loss per ADS of RMB2.42 (30 June 2025: RMB0.88). As at 31 December 2025, its audited consolidated total equity attributable to the owners was RMB79,830,163,000 (30 June 2025: RMB81,026,832,000 (unaudited)).

(f) The money market fund administrated by Industrial and Commercial Bank of China Limited principally invests in low risk and high liquidity financial instruments. The objective of the fund is pursuing superior return compared with similar products in the market and ensuring the stability of the investment capital. During the six months ended 30 June 2026, the quoted annualised daily return rate ranging from 1.00% to 1.58% per annum (31 December 2025: Nil).

(g) GoldenFuture Capital Investment Ltd. ("GoldenFuture Fund") was incorporated in the Cayman Islands as an exempted company with limited liability, which invests in listed companies in major global financial markets, primarily in the United States and European markets, with a secondary focus on the Greater China market. Its core strategy is a long-only equity strategy, holding stocks for medium to long term, with a value investing style. The portfolio allocation of GoldenFuture Fund is as follows: United States listed company stocks: approximately 60%; European listed company stocks: approximately 30%; and Greater China listed company stocks: approximately 10%. The investment manager of GoldenFuture Fund is Goldenwise Capital Group Limited, a Hong Kong-based asset management company licensed under the Hong Kong's Securities and Futures Ordinance. As at 30 June 2026, the fair value of the GoldenFuture Fund of HK$2,092,000 (31 December 2025: HK$2,222,000) was valued based on the net asset value of each fund unit quoted by the investment manager.

(h) APAL Holdings Limited ("APAL") was incorporated in the Cayman Islands with limited liability. APAL is principally engaged in the business of global aircraft leasing, aircraft trading, securitised aircraft leasing financial products, aircraft parts trading, maintenance of aircraft, dismantling aircraft and other related consulting services. As at 30 June 2026, the fair value of the entire unlisted equity securities is HK$830,606,000 (31 December 2025: HK$891,254,000) by reference to the valuation provided by an independent professional qualified valuer using direct comparison approach with unobservable inputs.

15. INVESTMENT PORTFOLIO *(Continued)*

Notes: (Continued)

(i) DiDi Global Inc. ("DiDi") was incorporated in the Cayman Islands with limited liability, and its American depositary shares are traded in the Over-the-Counter market (Stock Code: DIDIY) in the United States. Didi is principally engaged in operating mobility technology platforms which offer a wide range of app-based services including ride-hailing, taxi hailing, chauffeur and other forms of shared mobility, certain energy and vehicle services, food delivery, intra-city freight, and financial services. As at 30 June 2026, the shares of DiDi held by the Group at fair value is HK$17,407,000 (31 December 2025: HK$27,231,000).

(j) HK Zxoud Limited ("Zxoud") was incorporated in Hong Kong with limited liability. Zxoud is principally engaged in the business of developing cloud-based codec technology and distributed storage technology. As at 30 June 2026, the fair value of the entire unlisted equity securities is US$Nil (equivalent to HK$Nil) (31 December 2025: US$Nil (equivalent to HK$Nil)) by reference to the limited business operations of Zxoud.

(k) Profound View Group ("Profound") was incorporated in the Cayman Islands with limited liability. Profound and its subsidiaries are principally engaged in the business of biotechnology and new drug research and development. As at 30 June 2026, the fair value of the entire unlisted equity securities as estimated by the Directors is RMB641,020,000 (equivalent to HK$700,339,000) (31 December 2025: RMB641,020,000 (equivalent to HK$700,339,000)) by reference to the valuation provided by an independent professional qualified valuer, which was performed on 31 December 2025 using discounted cash flow method.

16. CRYPTOCURRENCIES

The amounts represented the cryptocurrencies held by the Group as at the end of the reporting period.

	30 June 2026 *HK$'000*	31 December 2025 *HK$'000*
Mainstream:		
Bitcoin	**40,547**	40,547
Ethereum	**1**	1
Tether USD	**–**	44,893
USD Coin	**8**	8
	40,556	85,449

Note:

At the end of the reporting period, cryptocurrencies were stated at the lower of cost and net realisable value. The Group estimated the net realisable value of the cryptocurrencies with reference to their market prices in the relevant cryptocurrencies markets less the estimated costs necessary to make the sale. No write-down of cryptocurrencies was recognised for the six months ended 30 June 2026 and 2025.

17. LOANS RECEIVABLE

	30 June 2026 *HK$'000*	31 December 2025 *HK$'000*
Loans receivable from third parties	**249,917**	242,591
Less: Loss allowance	**(219,239)**	(219,239)
	30,678	23,352

17. LOANS RECEIVABLE *(Continued)*

At the end of the reporting period, the loans receivable comprise:

(a) A RMB90,000,000 loan to an independent third party borrower, which was secured by a corporate guarantee provided by an independent third party and a personal guarantee provided by a shareholder of the borrower, interest-bearing at 8% per annum and was further extended to be repayable in December 2021.

A further loan extension was granted subject to certain conditions to be fulfilled by the borrower, details of which were set out in the Company's announcement dated 16 December 2021. None of the terms under the conditions was completed and the loan extension had not become effective. The Group has consistently issued demand letters to the borrower since the date the loan defaulted. A partial repayment was received during the year ended 31 December 2022. Neither the interest nor the principal was settled by the borrower subsequently. As at the date of this report, no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of RMB86,000,000 (equivalent to HK$96,272,000) (31 December 2025: RMB86,000,000 (equivalent to HK$96,272,000)) and accrued interest receivable of HK$18,693,000 (31 December 2025: HK$18,693,000) were recognised as loans receivable under current assets. Loss allowance of HK$114,965,000 (31 December 2025: HK$114,965,000) in respect of this credit impaired loan receivable had been recognised at the end of the reporting period. Details of the loan were set out in the Company's announcements dated 19 December 2019, 18 September 2020, 17 December 2020, 16 December 2021 and 11 February 2022, respectively.

(b) A HK$41,000,000 loan to an independent third party borrower, which was secured by a corporate guarantee provided by a substantial shareholder of the Company, interest-bearing at 8% per annum and was further extended to be repayable in June 2023. Pursuant to the extension of the loan agreement, the loan is further secured by accounts receivable of the borrower of HK$18,732,000 as collateral, with other terms remain unchanged. No further extension was granted after June 2023. The Group has consistently issued demand letters to the borrower since the date the loan defaulted. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of HK$41,000,000 (31 December 2025: HK$41,000,000) and accrued interest receivable of HK$2,453,000 (31 December 2025: HK$2,453,000) were recognised as loans receivable under current assets. Loss allowance of HK$37,552,000 (31 December 2025: HK$37,552,000) in respect of this loan receivable had been recognised at the end of the reporting period. Details of the loan were set out in the Company's announcements dated 9 December 2019, 12 December 2019, 29 June 2020, 31 December 2020, 31 December 2021, 30 September 2022 and 13 July 2023, respectively.

17. LOANS RECEIVABLE *(Continued)*

(c) A HK$60,000,000 loan to an independent third party borrower, which was secured by corporate guarantees provided by two independent third parties, interest-bearing at 5% per annum and was further extended to be repayable in March 2024. Pursuant to the extension of the loan agreement, the loan is secured by accounts receivable and deposits of the borrower of HK$55,403,000 as collateral, with other terms remain unchanged.

A further loan extension was granted subject to certain conditions to be fulfilled by the borrower, details of which were set out in the Company's announcement dated 28 March 2024. None of the terms under the conditions was completed and the loan extension had not become effective. The Group has consistently issued demand letters to the borrower since the date the loan defaulted. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of HK$60,000,000 (31 December 2025: HK$60,000,000) and accrued interest receivable of HK$1,504,000 (31 December 2025: HK$1,504,000) were recognised as loans receivable under current assets. Loss allowance of HK$52,008,000 (31 December 2025: HK$52,008,000) in respect of this loan receivable had been recognised at the end of the reporting period. Details of the loan were set out in the Company's announcements dated 18 March 2020, 17 June 2020, 30 September 2021, 1 October 2022, 31 March 2023, 28 September 2023, 28 March 2024 and 3 July 2024, respectively.

(d) A RMB10,000,000 loan to an independent third party borrower, which was unsecured, interest-bearing at 5% per annum and was further extended to be repayable in June 2023 with other terms remain unchanged. No further extension was granted after June 2023. The Group has consistently issued demand letters to the borrower since the date of the loan defaulted. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of RMB10,000,000 (equivalent to HK$11,035,000) (31 December 2025: RMB10,000,000 (equivalent to HK$11,035,000)) and accrued interest receivable of HK$1,531,000 (31 December 2025: HK$1,531,000) were recognised as loans receivable under current assets. Loss allowance of HK$12,566,000 (31 December 2025: HK$12,566,000) in respect of this loan receivable had been recognised at the end of the reporting period.

(e) A HK$14,000,000 loan to an independent third party borrower, which was unsecured, interest-bearing at 5% per annum. During the reporting period and the year ended 31 December 2025, the principal and accrued interest of the loan were partially settled by the borrower. The repayment date of the remaining balance was further extended to October 2026 with other terms remain unchanged.

At the end of the reporting period, the principal of HK$6,482,000 (31 December 2025: HK$6,482,000) and accrued interest receivable of HK$77,000 (31 December 2025: HK$77,000) were recognised as loans receivable under current assets. Loss allowance of HK$825,000 (31 December 2025: HK$825,000) in respect of the loan receivable had been recognised at the end of the reporting period.

17. LOANS RECEIVABLE *(Continued)*

(f) A RMB1,100,000 loan to an independent third party borrower, which was unsecured, interest-bearing at 12% per annum and was repayable in August 2023. No extension was granted after August 2023. The Group has consistently issued demand letters to the borrower since the date of the loan defaulted. As at the date of this report, neither the interest nor the principal was settled by the borrower and no consent to the repayment schedule was reached by both parties.

At the end of the reporting period, the principal of RMB1,100,000 (equivalent to HK$1,213,000) (31 December 2025: RMB1,100,000 (equivalent to HK$1,213,000)) and accrued interest receivable of HK$110,000 (31 December 2025: HK$110,000) were recognised as loans receivable under current assets. Loss allowance of HK$1,323,000 (31 December 2025: HK$1,323,000) in respect of this loan receivable had been recognised at the end of the reporting period.

(g) A RMB2,000,000 loan to an independent third party borrower, which was unsecured, interest-bearing at 3.45% per annum and was repayable in February 2025. No extension was granted after February 2025. During the reporting period, the principal and accrued interest were fully settled by the borrower.

As at 31 December 2025, the principal of RMB2,000,000 (equivalent to HK$2,214,000) and accrued interest receivable of HK$7,000 were recognised as loans receivable under current assets. No loss allowance in respect of this loan receivable had been recognised as at 31 December 2025.

(h) A US$225,000 loan to an independent third party borrower, which was unsecured, interest-bearing at 5% per annum and is repayable in November 2026.

At the end of the reporting period, the principal of US$225,000 (equivalent to HK$1,755,000) and accrued interest receivable of HK$33,000 were recognised as loans receivable under current assets. No loss allowance in respect of this loan receivable had been recognised at the end of the reporting period.

(i) A RMB6,500,000 loan to an independent third party borrower, which was unsecured, interest-bearing at 8% per annum and is repayable in July 2026. No extension was granted after the reporting period. The Group is in negotiation with the borrower to repay the loan receivable and accrued interest. As at the date of this report, neither the interest nor the principal was settled by the borrower.

At the end of the reporting period, the principal of RMB6,500,000 (equivalent to HK$7,483,000) and accrued interest receivable of HK$276,000 were recognised as loans receivable under current assets. No loss allowance in respect of this loan receivable had been recognised at the end of the reporting period.

18. TRADE AND OTHER PAYABLES

	Note	**30 June 2026** **HK$'000**	31 December 2025 *HK$'000*
Trade payables	*(a)*	**476**	4,046
Contract liabilities		**22,698**	7,001
Other payables	*(b)*	**253,761**	224,039
Accruals		**13,396**	24,246
		290,331	259,332

Notes:

(a) The ageing analysis of trade payables by invoice date at the end of the reporting period is as follows:

	30 June 2026 **HK$'000**	31 December 2025 *HK$'000*
0–30 days	**752**	1,606
31–60 days	**236**	2,113
61–90 days	**(512)**	327
	476	4,046

(b) Included in other payables are the following balances:

(i) Outstanding payable of RMB67,000,000 (equivalent to HK$79,748,000) (31 December 2025: RMB67,000,000 (equivalent to HK$79,748,000)) for the procurement of hash-rate capacity, which has been recognised as intangible assets of the Group in prior years. The outstanding payable, which is repayable on demand, is not available to set-off against the earnest money of RMB57,000,000 (equivalent to HK$65,623,000) (31 December 2025: RMB57,000,000 (equivalent to HK$63,109,000)) paid for the procurement of hash-rate capacity in prior years (note 13(b)).

(ii) A performance bond, which is repayable on demand, received from Zhongda Bocheng in relation to the purchase of cryptocurrency mining machines amounted to RMB110,000,000 (equivalent to HK$126,641,000) (31 December 2025: RMB110,000,000 (equivalent to HK$121,789,000)) (note 13(d)(i)).

(iii) Outstanding payables of HK$6,804,000 (31 December 2025: HK$6,804,000) for the purchase of cryptocurrency mining machines, which was recognised as property, plant and equipment of the Group, is repayable on demand.

19. BANK AND OTHER LOANS

	30 June 2026 HK$'000	31 December 2025 HK$'000
Current and secured		
Term loans from banks with repayment on demand clause	827	864
Other loans with repayment on demand clause	–	19,325
Current and unsecured		
Other loan	2,000	2,000
	2,827	22,189

Note:

As at 30 June 2026, the bank loans carried variable interest rates ranging from 2.65% to 2.90% (31 December 2025: 2.65% to 2.90%) per annum. The bank loans are secured by the assets of the Group as set out in note 21.

20. SHARE CAPITAL

	Number of shares		Amount	
	30 June 2026 '000	31 December 2025 '000	30 June 2026 HK$'000	31 December 2025 HK$'000
Authorised:				
At beginning and end of the reporting period Ordinary shares of HK$0.025 each	8,000,000	8,000,000	200,000	200,000
Issued and fully paid:				
At beginning and end of the reporting period Ordinary shares of HK$0.025 each	2,487,705	2,487,705	62,193	62,193

21. PLEDGED ASSETS

The Group had pledged the following assets to secure the loan facilities:

	30 June 2026 *HK$'000*	31 December 2025 *HK$'000*
Right-of-use assets	**51,390**	52,892
Cryptocurrencies	**–**	19,500
Bank deposits	**200**	200

22. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The unaudited condensed consolidated interim financial statements were approved by the Board on 18 August 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is principally engaged in the businesses of information home appliances ("IHA"), internet data centre ("IDC"), investing and leasing.

BUSINESS REVIEW AND PROSPECT

IHA Business

The IHA business focuses on the marketing, sales and distribution of IHA products and associated solutions. The Group's product portfolio includes high-definition digital set-top boxes ("STB"), hybrid dual-STB, over-the-top ("OTT")/Internet Protocol Television ("IPTV") STB, Android-based STB devices and other related products. Leveraging years of accumulated expertise, the Group has developed deep competencies across the full product development cycle of networked audio and video devices – encompassing hardware design, embedded software, operating system customisation and end-to-end business integration – and is well positioned to serve a broad spectrum of vertical applications.

The operating environment for the IHA business remains challenging, as the segment faces intensifying competitive pressure from both incumbent STB manufacturers and the rapid proliferation of dedicated streaming platforms and smart TV ecosystems, which continue to erode demand for standalone STB products. As a result, sales orders declined during the six months ended 30 June 2026 (the "Period"), and revenue decreased significantly by 70.7% from HK$31.9 million for the six months ended 30 June 2025 to HK$9.3 million for the Period. Through disciplined risk management and ongoing cost optimisation initiatives, the IHA business recorded a segment profit of HK$0.8 million (30 June 2025: HK$4.1 million) for the Period, representing a decrease of 81.8% as compared with the corresponding period of the previous fiscal year.

Looking forward, the Board recognises that as consumers continue to gravitate towards integrated smart TV platforms and subscription-based streaming services, the competitive environment for the IHA business will remain under pressure. Nevertheless, the Group believes that opportunities remain in selected markets where demand for customised, operator-grade STB solutions persists, particularly in regions where broadband infrastructure upgrades and IPTV rollouts are ongoing. To capitalise on these opportunities, the Group plans to concentrate on higher-margin, value-added products that distinguish its offerings from commoditised alternatives. The management will also maintain tight cost discipline and continue streamlining operations to protect profitability in a subdued demand environment.

IDC Business

The IDC business is principally engaged in the development, construction, operation, mergers, acquisitions, and leasing of properties and facilities used by IDC.

The Group conditionally agreed to dispose of the IDC situated in the US ("US-IDC") to an independent third party of the Group (the "Purchaser") at a consideration of US$110.0 million (equivalent to HK$858.0 million) on 29 May 2023 (the "Disposal of US-IDC"). The US-IDC had been leased to the Purchaser since then until either the completion or the termination of the Disposal of US-IDC. Starting in February 2025, rent payments for the lease of the US-IDC, which is currently classified as investment properties, were deferred until completion or waived if the Disposal of US-IDC lapsed or was terminated. During the Period, the Disposal of the US-IDC was not completed and automatically lapsed and was terminated in March 2026. Details of the termination of the Disposal of US-IDC are set out in the Company's announcement dated 20 March 2026. Consequently, the US-IDC did not contribute any revenue during the Period, compared with HK$3.3 million for the six months ended 30 June 2025. The Group continues to actively market the asset to potential strategic and financial buyers.

For the Period, the IDC business contributed revenue of HK$7.2 million, a decrease of 45.3% from HK$13.1 million recorded for the six months ended 30 June 2025. The segment recorded a loss of HK$2.2 million (30 June 2025: HK$0.3 million), primarily attributable to an impairment loss on property, plant and equipment of HK$10.1 million recognised in respect of assets used as IDC facilities, which was partially offset by exclusivity income received from potential buyers in connection with the proposed disposal of the US-IDC.

Following the lapse of the Disposal of US-IDC in March 2026, the Group has been proactively engaging with a broadened pool of prospective buyers, including colocation operators and hyperscale cloud service providers, with a view to realising the value of the US-IDC at an appropriate price. The Board believes that the long-term fundamentals of the US data centre market remain compelling, underpinned by sustained demand driven by cloud computing, artificial intelligence workloads and the ongoing digital transformation of enterprises. The Group will continue to leverage its existing industry network to identify and negotiate with suitable counterparties. The management is committed to advancing the disposal process in an orderly manner and will keep shareholders informed of any material developments as and when they arise.

Investing Business

The Group's investing business is principally engaged in the trading of securities and investing in financial instruments, including unlisted equity securities and digital assets. Details of the Group's investment portfolio as at 30 June 2026 are disclosed in notes 14 and 15 to the unaudited condensed consolidated interim financial statements in this report.

During the Period, the Group recorded a net fair value loss on financial assets at fair value through profit or loss of HK$7.6 million (30 June 2025: gain of HK$1.2 million). The loss was primarily attributable to a fair value loss of HK$5.7 million arising from the Group's investment in a private equity company engaged in global aircraft leasing and mobility technology platforms for vehicle services. The decline in fair value is attributable to the investee company's current transitional period as it restructures its aircraft fleet for deployment in leasing operations.

The global digital assets market was characterised by heightened volatility and a general downward trajectory during the first half of 2026, weighed down by tightening monetary conditions in major economies, evolving regulatory frameworks across multiple jurisdictions and a moderation of speculative sentiment following the rally observed in the prior year. In this environment, the Group adopted a cautious stance towards its digital asset holdings and took proactive steps to reduce its exposure through the orderly disposal of Tether USD ("USDT") positions in the open market. During the Period, the Group conducted a series of open-market transactions to dispose of its holdings of USDT. Details of the disposals of cryptocurrencies are set out in the Company's announcements dated 26 January 2026 and 23 April 2026, respectively.

Going forward, the management will continue to closely monitor regulatory developments, including the implementation of virtual asset licensing regimes in Hong Kong and the evolving regulatory landscape in the United States and the European Union as well as broader market conditions, and will adjust the Group's digital asset strategy accordingly. The Group remains open to selectively participating in digital asset opportunities where the risk-return profile is favourable and aligned with the Group's overall investment objectives.

Leasing Business

The leasing segment of the Group comprises the leasing out of properties.

The Group recorded rental income of HK$6.1 million (30 June 2025: HK$6.5 million) for the Period. The business faced challenges due to a downturn in the industrial sector, resulting in a net fair value loss on investment properties of HK$11.7 million (30 June 2025: HK$5.7 million), which further contributed to a segment loss of HK$8.1 million (30 June 2025: HK$1.9 million) for the Period.

Looking ahead, the macroeconomic environment in the People's Republic of China (the "PRC") remains complex, with the industrial property sector facing headwinds from subdued domestic demand, cautious business sentiment, and excess supply, particularly in lower-tier cities and traditional manufacturing zones. While government support measures are expected to provide medium-term stabilisation, the pace of recovery in industrial property valuations and occupancy rates remains uncertain. Against this backdrop, management will adopt a proactive approach to lease management, prioritising the renewal of existing tenancies on commercially reasonable terms, actively sourcing new tenants to reduce vacancy risk, and maintaining rigorous credit assessments to safeguard rental collection. These measures aim to defend rental income, mitigate further erosion of property valuations, and position the leasing portfolio to benefit from any cyclical recovery in the PRC industrial property market.

FINANCIAL REVIEW

Operating Results

Revenue and Gross Profit

The Group's revenue decreased by 63.3% to HK$16.5 million (30 June 2025: HK$45.0 million) for the Period as a result of the decline in sales orders in the IHA business and the reduction in revenue from the leasing of IDC properties and facilities. The gross profit decreased by 42.3% to HK$9.5 million (30 June 2025: HK$16.5 million) for the Period in line with the decline in the Group's revenue.

Other Revenue and Net Income

Other revenue and net income amounted to HK$11.4 million (30 June 2025: HK$11.7 million) for the Period. The decrease was primarily attributable to a net fair value loss on financial assets at fair value through profit or loss of HK$7.6 million (30 June 2025: gain of HK$1.2 million), of which HK$5.7 million arose from the Group's investment in a private equity company engaged in global aircraft leasing and mobility technology platforms for vehicle services. The decline in fair value reflects the investee company's ongoing transition to restructure its aircraft fleet for deployment in leasing operations. However, such loss was offset by the one-off exclusivity income of HK$11.7 million (30 June 2025: Nil) in connection with the proposed disposal of the IDC properties.

Net Changes in Fair Value of Investment Properties

The Group recognised a net revaluation loss of HK$11.7 million (30 June 2025: HK$5.7 million) on investment properties for the Period, representing a widening of the revaluation loss by 103.3% as compared with the corresponding period of the previous fiscal year. The revaluation loss was primarily attributable to the downturn in the industrial sector of the property market in the PRC.

Distribution and Selling Expenses

The Group's distribution and selling expenses decreased by 41.2% to HK$0.6 million (30 June 2025: HK$1.0 million) for the Period. The reduction is consistent with the decline in sales orders within the IHA business segment.

General and Administrative Expenses

The Group's general and administrative expenses decreased by 5.0% to HK$46.3 million (30 June 2025: HK$48.8 million) for the Period as a result of the Group's ongoing cost control measures.

Other Operating Expenses

Other operating expenses mainly consisted of impairment loss on property, plant and equipment (being IDC facilities under the IDC business), property-related tax and land use tax from leasing activities, and other miscellaneous costs. The Group recorded other operating expenses of HK$11.6 million (30 June 2025: HK$1.1 million) for the Period, representing a significant increase of 997.7% as compared with the corresponding period of the previous fiscal year. The impairment loss on property, plant and equipment was recognised as a result of the non-renewal of the lease of the IDC facilities situated in Shatin, Hong Kong. As the recoverable amount is expected to be lower than the carrying amount of the assets, a provision for impairment loss on the property, plant and equipment amounting to HK$10.1 million (30 June 2025: Nil) was recognised for the Period.

Finance Costs

The finance costs of the Group amounted to HK$0.3 million (30 June 2025: HK$0.2 million) for the Period, mainly comprising interest expenses on bank and other borrowings. The increase of HK$0.1 million as compared with the corresponding period of the previous fiscal year was primarily attributable to higher utilisation of bank and other borrowings during the Period.

Loss for the Period

As a result of the foregoing, the Group recorded a loss attributable to owners of the Company of HK$50.2 million (30 June 2025: HK$30.0 million) for the Period.

Liquidity and Financial Resources

As at 30 June 2026, the Group had net current assets of HK$237.2 million. The Group had cash and bank balances of HK$19.0 million and pledged bank deposits of HK$0.2 million respectively. The financial resources were funded mainly by the working capital from operations.

The current ratio, calculated by dividing current assets by current liabilities, was 1.8 times (31 December 2025: 1.9 times) as at 30 June 2026. The gearing ratio, as measured by total liabilities divided by total equity, was 20.9% (31 December 2025: 19.7%) as at 30 June 2026. The gearing ratio increased as a result of the increase in trade and other payables in relation to the daily operations. The Group adopts a prudent approach to cash management. Apart from certain debts including lease liabilities, bank and other loans, the Group did not have any material outstanding debts as at 30 June 2026. Payment to settle trade and other payables represented a significant part of the cash outflow of the Group. Taking into account the light debt leverage, the Group is able to generate cash and meet upcoming cash requirements. Hence, the Group has adequate liquidity and financial resources to meet its working capital requirements in the next twelve months from the balance sheet date and remain at a stable and healthy level.

Capital Commitment

The Group had no other capital commitment as at 30 June 2026 (31 December 2025: Nil).

Contingent Liabilities

The Group had no contingent liabilities as at 30 June 2026 (31 December 2025: Nil).

Charges on Group Assets

Details of charges on the Group assets are set out in note 21 to the unaudited condensed consolidated interim financial statements in this report.

Capital Structure

As at 30 June 2026, the Group had shareholder's capital of HK$62.2 million (31 December 2025: HK$62.2 million). The shareholder's capital of the Company is constituted of 2,487,704,800 shares (31 December 2025: 2,487,704,800 shares).

Significant Investments/Material Acquisitions and Disposals

Disposals of Cryptocurrencies

On 26 January 2026, the Group disposed of 3.3 million units of USDT in the open market. During the period between 6 March 2026 and 23 April 2026, the Group conducted a series of disposals of 2.2 million units of USDT in the open market. Details of the disposals are set out in the Company's announcements dated 26 January 2026 and 23 April 2026, respectively.

Save as disclosed in this report, the Group had no other significant investment and no material acquisition or disposal of subsidiaries, associates and joint ventures during the Period.

Events after the Reporting Period

Continuing Connected Transactions in Relation to the Renewal of the Lease Agreement

On 30 July 2026, Meishan E-rich Shengda Medical Service Co., Limited* (眉山裕睿盛達醫藥服務有限公司), an indirect wholly-owned subsidiary of the Company (as landlord), and Chengdu Wuhou Ganluhai Tibetan Hospital Co., Ltd.* (成都武侯甘露海藏醫院有限公司) (as tenant), entered into a lease agreement (the "Lease Agreement") in respect of the renewal of the lease of the investment property situated in Meishan City, Sichuan Province, the PRC with a term of three years from 1 August 2026 to 31 July 2029. Details of the renewal of the Lease Agreement are set out in the Company's announcement dated 30 July 2026.

* *For identification purposes only*

Future Plans for Material Investment and Capital Assets

There is no other plan for material investments or capital assets as at 30 June 2026.

Exposure to Fluctuations in Exchange Rates

Most of the Group's trading transactions were denominated in Renminbi ("RMB") and United States dollars ("USD"). The assets of the Group were mainly denominated in RMB, and the remaining portions were denominated in USD and Hong Kong dollars ("HKD"). The exchange rates for USD to HKD have been relatively stable for the Period. Therefore, the Group is only exposed to foreign exchange risk arising from RMB exposures, primarily concerning the HKD and USD.

During the Period, the Group recorded net exchange gains of HK$0.1 million (30 June 2025: HK$0.5 million). Following the appreciation RMB against HKD by 3.8% compared with 31 December 2025, the re-translation of the net assets converted from RMB into HKD at the exchange rate as of the reporting period resulted in a re-translation gain of HK$13.5 million (30 June 2025: HK$2.0 million), recognised under other comprehensive income/ translation reserves. As at 30 June 2026, the Group had not used any forward contracts, currency borrowings or other means to hedge its foreign currency exposure. However, the Group will constantly monitor and manage its exposure to foreign exchange risk.

TREASURY POLICIES

The Group adopts a conservative approach toward its treasury policies. It strives to reduce its exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

CREDIT POLICIES

The Group has adopted a credit policy to manage and monitor the recoverability of the loans, trade receivables and contract assets on an ongoing basis. Details of which are outlined below:

(a) Credit risk assessment: The Group would perform credit risk assessment before extending or granting the loans by (i) reviewing the financial reports and statements showing the net asset value of the potential or existing borrowers and other relevant financial information; (ii) performing an assessment on the financial condition of the potential or existing guarantors, such as the type and value of assets owned by the potential or existing guarantors; and (iii) reviewing the financial positions of the existing borrowers on an annual basis.

(b) Security/Collateral assessment: The Group would assess and decide the necessity and the value of security/collateral for granting or extending each loan, whether to an individual or enterprise, on a case-by-case basis considering the factors including but not limited to the repayment history, results of public search towards the potential or existing borrower, the value and location of the assets owned by the potential or existing borrowers.

(c) Loan collection/Recovery: The Group would issue overdue payment reminders to the borrower, instruct its legal advisers to issue demand letters for overdue loans, negotiate with the borrower for the repayment or settlement of the loan and/or commence legal action against the borrower. In respect of the loans not yet overdue, the Group will closely monitor for any adverse news which may trigger a default in payment.

The Board has exercised its oversight over the loans granted by the Group. Any material changes in the borrowers' financial positions from the annual assessment are required to be reported to the Board.

During the reporting period, credit risk assessments and collateral evaluations were conducted for both borrowers and guarantors associated with the two newly granted loans. Subsequent to the reporting period, one of the loans became overdue as at the date of this report. The Group has sent a reminder for overdue payments and engaged in negotiations with the borrowers and guarantors to facilitate repayment or reach a settlement for the loans.

Based on the actions taken by the Group, the Directors considered that the Group has strictly followed the Group's credit policies.

KEY RISKS AND UNCERTAINTIES

During the Period, the Group endeavoured to improve the risk management system in different aspects of company strategies, business operations and finance. The key risks and uncertainties to which the Group is subject are summarized as follows:

(i) The revenue of the Group is difficult to predict and may be volatile in any given reporting period, owing to the tightened supply of microchips as the raw material of the distributed products of the IHA business;

(ii) Rapid changes in production innovation and features may increase competition and render the Group's current technologies or cause the Group of losing market share and narrower profit margins from intensification of competition;

(iii) Customer preferences and trends from the increasing demands for streaming services, on-demand content, and smart-home integration may have a material adverse impact on the set-top box market or our business, financial condition and results of the operations;

(iv) The impact of protectionism and unilateralism has affected the stability of the global landscape, with increasing sources of turbulence and risk points. The Group may be exposed to restrictions, sanctions or other legal or regulatory measures in different jurisdictions. The increasingly stringent regulatory environment and policies, such as licence issuance, may bring risks and challenges to the Group's business development and revenue growth;

(v) The investments of the Group in countries and regions across the world might at present or in future be affected by changes in local, national or international political, social, legal, tax, regulatory and environmental requirements from time to time. In addition, new government policies or measures, if introducing changes in fiscal, tax, regulatory, environmental or other aspects that may affect competitiveness, could result in an additional or unforeseen increase in operating expenses and capital expenditures, produce risks to the overall return on investments of the Group, and delay or impede its business operations and hence adversely affect revenues and profits;

(vi) The value of digital assets held by the Group may be subject to volatile market prices, impairment and unique risks of loss such as cyberattacks, human errors or computer malfunctions; and

(vii) The Group may face regulatory challenges to or limitations on the Group's digital asset investment.

In future business operations, the Group will be highly aware of the aforesaid risks and uncertainties and will proactively adopt effective measures to tackle such risks and uncertainties.

HUMAN RESOURCES AND RELATIONS WITH THE EMPLOYEES

As at 30 June 2026, the Group has over 70 (30 June 2025: over 70) full-time employees, of which 22 (30 June 2025: 22) were based in Hong Kong and the rest were in the PRC and the US. Staff costs of the Group amounted to HK$17.1 million (30 June 2025: HK$16.2 million) for the Period. The employees of the Company's subsidiaries are employed and promoted based on their suitability for the positions offered. The salary benefit levels of the Group's employees are in line with the market rates. Employees are rewarded on a performance-related basis within the general framework of the Group's remuneration system which is reviewed annually. In addition to basic salaries, staff benefits also include medical schemes and various insurance schemes.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to building an environmentally-friendly corporation and always takes the environmental protection issues into consideration during daily operation. The Group does not produce material waste nor emit material quantities of air pollutants. The Group also strives to minimise the adverse environmental impacts by encouraging employees to recycle office supplies and other materials and to save electricity.

COMPLIANCE WITH LAWS AND REGULATIONS

The Company has been listed on GEM of the Stock Exchange since 2000. The operations of the Group are mainly carried out by the Company's subsidiaries in the PRC, Hong Kong and the US. As such, the Group's operations shall comply with relevant laws and regulations in the PRC, Hong Kong and the US accordingly. During the Period, the Group has complied with all applicable laws and regulations in the PRC, Hong Kong and the US in all material respects. The Group shall continue to keep itself updated with the requirements of the relevant laws and regulations in the PRC, Hong Kong and the US and adhere to them to ensure compliance.

RESERVES

Movements in reserves of the Group during the Period are set out in the unaudited condensed consolidated statement of changes in equity of the financial statements.

DIVIDEND

The Board does not recommend the payment of interim dividend for the Period (30 June 2025: Nil).

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

As at 30 June 2026, the interests or short positions of the Directors and chief executive in the shares of the Company ("Share(s)"), underlying shares and/or debentures of the Company and/or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

(1) Long positions in the shares of the Company

Name of Directors	Nature of interests	Number of ordinary Shares	Capacity	Approximate percentage of the total issued share capital of the Company
Mr. Li Qiang	Personal	4,604,000	Beneficial owner	0.19%
Mr. Cong Yu	Personal	741,379,800	Interest of a controlled corporation	29.80%
Mr. Shi Guangrong	Personal	22,660,000	Beneficial owner	0.91%
Mr. Zhu Jiang	Personal	7,926,756	Beneficial owner	0.32%
Ms. Shen Yan	Personal	324,000	Beneficial owner	0.01%

(2) Long positions in the underlying shares of the Company

None of the Directors and chief executive has held any share options as at 30 June 2026.

As at 30 June 2026, none of the Directors or chief executive of the Company had any interests or short positions in any Shares, underlying shares and/or debentures of the Company and/or any of its associated corporations (within the meanings of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules.

Save as disclosed above, at no time during the Period was the Company or any of its subsidiaries a party to any arrangement which enables the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

Based on the information provided to the Company in notices filed, as at 30 June 2026, the entities and/or persons or corporations who had any interests or short positions in the Shares and/or underlying shares of the Company which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or had otherwise notified to the Company were as follows:

Long positions in the shares and underlying shares of the Company

Name of shareholders	Nature of interests	Number of ordinary Shares	Capacity	Approximate percentage of the total issued share capital of the Company
Unicorn Resources Inc. ("Unicorn") *(Note 1)*	Corporate	741,379,800	Beneficial owner	29.80%
Cong Yu Company Limited *(Note 1)*	Corporate	741,379,800	Interest of a controlled corporation	29.80%
Mr. Cong Yu *(Note 1)*	Personal	741,379,800	Interest of a controlled corporation	29.80%
Mr. Zhu Weisha *(Note 2)*	Personal	741,379,800	Interest of a controlled corporation	29.80%
		19,000,000	Beneficial owner	0.76%
Honbridge Holdings Limited (Stock Code: 8137) *(Note 3)*	Corporate	351,867,200	Beneficial owner	14.14%
Hong Bridge Capital Limited *(Note 3)*	Corporate	351,867,200	Interest of a controlled corporation	14.14%
Geely Group Limited *(Note 3)*	Corporate	351,867,200	Interest of a controlled corporation	14.14%
Mr. Li Shu Fu *(Note 3)*	Personal	351,867,200	Interest of a controlled corporation	14.14%

Notes:

1. Unicorn is the beneficial owner of 741,379,800 Shares. Cong Yu Company Limited holds 55% interest in Unicorn and it is deemed to be interested in the 741,379,800 Shares held by Unicorn. Mr. Cong Yu holds 100% interest in Cong Yu Company Limited (which holds 55% interest in Unicorn) and he is therefore deemed to be interested in the 741,379,800 Shares held by Unicorn.

2. Mr. Zhu Weisha holds 45% interest in Unicorn and he is deemed to be interested in the 741,379,800 Shares held by Unicorn. The remaining interest in 19,000,000 Shares is beneficially owned by Mr. Zhu Weisha, representing 19,000,000 underlying shares in respect of the share options granted by the Company on 30 August 2019.

3. Honbridge Holdings Limited is the beneficial owner of 351,867,200 Shares. 41.25% of the shares of Honbridge Holdings Limited are held by Hong Bridge Capital Limited, which in turn 68.86% held by Geely Group Limited (which 100% held by Mr. Li Shu Fu). By virtue of the provisions of Part XV of the SFO, each of Hong Bridge Capital Limited, Geely Group Limited and Mr. Li Shu Fu was deemed to be interested in the Shares of the Company in which Honbridge Holdings Limited was interested.

4. Based on a total of 2,487,704,800 Shares as at 30 June 2026.

Save as disclosed above, as at 30 June 2026, the Directors are not aware of any persons or corporations who had any interests or short positions in the Shares and/or underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Period.

COMPETING INTERESTS

None of the Directors or the controlling shareholders and their respective close associates (as defined in the GEM Listing Rules) has an interest in a business which competed or might compete with the business of the Group or has any other conflict of interest with the Group during the Period.

CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the continuing growth of the Group and for safeguarding and maximising shareholders' interests.

During the Period, the Company has applied the principles and complied with the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Part 2 of Appendix C1 to the GEM Listing Rules, except in relation to CG Code provisions F.1.3, as more particularly described below.

CG Code provision F.1.3

Pursuant to CG Code provision F.1.3, the Chairman of the Board should attend the annual general meeting ("AGM") and invite the chairman of the audit, remuneration and nomination committees to attend and be available to answer questions at the AGM. Mr. Chen Biao, an executive Director, has been performing the above duties in lieu of Mr. Li Qiang, the Chairman of the Board, who had other pre-arranged business commitments on the AGM held on 18 June 2026.

AUDIT COMMITTEE

The Board has established an audit committee (the "Audit Committee"). It currently comprises three independent non-executive Directors, namely Ms. Shen Yan (Chairlady), Ms. Huo Qiwei and Mr. Bai Rongxu. None of the members of the Audit Committee is a former partner of the auditor of the Company.

The principal duties of the Audit Committee are to assist the Board in reviewing the financial information, overseeing the Company's financial reporting system, risk management, internal control systems and relationship with external auditor, and arrangements to enable employees of the Company to raise concerns under the protection of confidentiality about possible improprieties in financial reporting, internal control or other matters of the Company.

The Group's unaudited condensed consolidated interim results for the Period have not been audited but have been reviewed by the Audit Committee pursuant to the relevant provisions contained in the CG Code. The Audit Committee was of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in rules 5.48 to 5.67 (the "Required Standard of Dealings") of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors. Upon specific enquiries of all Directors, each of them confirmed that they have complied with the required standards set out in the Required Standard of Dealings for the Period in relation to their securities dealings, if any.

By order of the Board
Yuxing InfoTech Investment Holdings Limited
Cong Yu
Executive Director and Chief Executive Officer

Hong Kong, 18 August 2026

As at the date hereof, the executive Directors are Mr. Li Qiang, Mr. Cong Yu, Mr. Shi Guangrong, Mr. Zhu Jiang and Mr. Chen Biao; and the independent non-executive Directors are Ms. Shen Yan, Ms. Huo Qiwei and Mr. Bai Rongxu.