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Renco Holdings Group Limited
融科控股集團有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 2323)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of Renco Holdings Group Limited (the "**Company**") is pleased to announce the audited consolidated annual results and financial positions of the Company and its subsidiaries (collectively, the "**Group**") (the "**2024 Audited Annual Results**") for the year ended 31 December 2024 (the "**FY2024**" or "**Year**") together with the comparative figures for the year ended 31 December 2023 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	**2024** **_HKD'000_**	2023 *HKD'000* (Restated)
CONTINUING OPERATIONS			
REVENUE	*5*	**2,431**	(5,435)
GROSS PROFIT/(LOSS)		**2,431**	(5,435)
Other income	*6*	**–**	405
Other gains and losses, net	*7*	**(146,022)**	8,016
Allowance for expected credit losses		**(123,300)**	(216,740)
Gain on disposal of subsidiaries		**148,058**	–
Administrative expenses		**(20,302)**	(17,119)
OPERATING LOSS		**(139,135)**	(230,873)
Finance costs	*8*	**(109,601)**	(45,795)
Share of results of associates		**(4,269)**	(14,779)

	Notes	**2024** *HKD'000*	2023 *HKD'000* (Restated)
LOSS BEFORE TAX		**(253,005)**	(291,447)
Income tax credit	*9*	**34,516**	–
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS	*10*	**(218,489)**	(291,447)
Discontinued operation			
PROFIT/(LOSS) FOR THE YEAR FROM DISCONTINUED OPERATION		**195,158**	(84,839)
LOSS FOR THE YEAR		**(23,331)**	(376,286)
Other comprehensive loss after tax:			
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		**(9,642)**	(56,235)
Exchange differences reclassified to profit or loss on disposal of subsidiaries		**(9,711)**	–
Share of other comprehensive income of associates		**(4,063)**	(3,312)
Items that will not be reclassified to profit or loss:			
Gain on revaluation of property, plant and equipment		**–**	39,032
Income tax effect		**–**	(9,758)
Other comprehensive loss for the year, net of tax		**(23,416)**	(30,273)
Total comprehensive loss for the year		**(46,747)**	(406,559)
Loss per share (HK cents)			
From continuing and discontinued operations			
– Basic and diluted	*12*	**(0.88)**	(14.21)
From continuing operations			
– Basic and diluted		**(8.25)**	(11.01)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 HKD'000	2023 HKD'000
NON-CURRENT ASSETS			
Property, plant and equipment		–	299,089
Right-of-use assets		**1,122**	8,830
Investments in associates		**371,190**	528,622
Investment in joint ventures		–	–
Rental and utility deposits		–	21
Financial assets at fair value through profit or loss		**2,188**	2,407
Deposits paid		–	36
Other receivables		–	–
Total non-current assets		**374,500**	839,005
CURRENT ASSETS			
Inventories		–	31,079
Trade receivables	*13*	–	56,767
Prepayments, other receivables and other assets	*13*	**33,330**	70,135
Loan receivables	*14*	**516,080**	630,135
Note receivables	*15*	–	–
Financial assets at fair value through profit or loss		**56,237**	56,393
Bank balances and deposits		**921**	23,877
Total current assets		**606,568**	868,386
CURRENT LIABILITIES			
Trade payables	*16*	–	60,459
Other payables and accruals	*16*	**107,768**	234,379
Tax payable		–	274,643
Lease liabilities		**888**	2,890
Borrowings	*17*	**989,759**	1,195,468
Loan from a director		**700**	16,957
Total current liabilities		**1,099,115**	1,784,796
NET CURRENT LIABILITIES		**(492,547)**	(916,410)
TOTAL ASSETS LESS CURRENT LIABILITIES		**(118,047)**	(77,405)

	Notes	**2024**	2023
		HKD'000	*HKD'000*
NON-CURRENT LIABILITIES			
Lease liabilities		**230**	3,257
Deferred tax liabilities		**–**	23,926
Total non-current liabilities		**230**	27,183
NET LIABILITIES		**(118,277)**	(104,588)
EQUITY			
Equity attributable to owners of the Company			
Share capital		**264,800**	264,800
Reserves		**(383,077)**	(369,388)
TOTAL DEFICIT IN EQUITY		**(118,277)**	(104,588)

Notes:

1. GENERAL INFORMATION

Renco Holdings Group Limited (the "**Company**") was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

In the opinion of the directors of the Company, the Company has no immediate and ultimate holding company or ultimate controlling party as at 31 December 2024.

The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information to the annual report.

During the year, the Company and its subsidiaries (collectively referred to as the "**Group**") was involved in the following activities:

– manufacturing and sale of a broad range of printed circuit boards ("**PCBs**");

– investment and trading of securities and related treasury activities; and

– advising on securities and asset management services.

During the year ended 31 December 2024, the Group had discontinued the operation of manufacturing and sale of PCBs as result of losing control over its subsidiary, TPC PC2 LTD. This loss of control occurred following the purportedly lender exercised a pledged clause in a loan agreement.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

Going concern assumption

The Group incurred a consolidated net loss of approximately HK$23,331,000 during the year ended 31 December 2024 and as at 31 December 2024 the Group had net current liabilities and net liabilities of approximately HK$492,547,000 and HK$118,277,000 respectively. In addition, the Group had outstanding borrowings and interest payable of approximately HK$989,759,000 and HK$34,942,000 which would be due for repayment within the next twelve months, loan from a director of approximately HK$700,000 which are repayable on demand and bank balances and deposits of only approximately HK$921,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

The directors of the Company consider the Group will have sufficient working capital to finance its operations and financial obligations as and when they fall due, and accordingly, are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis after taking into consideration of the followings:

(i) enhancing the collection of loan and note receivables by monitoring repayments when they fall due;

(ii) the substantial shareholder, through related companies of which are also owned by this substantial shareholder and himself, have unconditionally undertaken to provide continuing financial support to the Group to remain continuing operations and to meet its liabilities and obligations when they fall due, the Company also published an announcement in respect of the financial support from the substantial shareholder dated 17 April 2025;

(iii) the Group will actively negotiate with the lenders for debts restructuring and the renewal of the Group's borrowings when they fall due in order to secure necessary funds to meet the Group's working capital and financial requirements in the foreseeable future. In the opinion of the Directors, the Group will be able to roll over or refinance the borrowings upon their maturity;

(iv) identifying new investment and business development opportunities to increase the Group's profitability; and

(v) the Group is actively exploring the availability of various sources of financing including the disposal of assets or obtain secured facilities by way of pledge of assets etc.

Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned above, it might not be able to operate as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their net realisable amounts, to provide for any further liabilities that may arise and to reclassify non-current assets and non current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2024. HKFRSs comprise Hong Kong Financial Reporting Standards ("**HKFRS**"); Hong Kong Accounting Standards ("**HKAS**"); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the consolidated financial statements of the Group.

4. SEGMENT REPORTING

(a) Reportable segments

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker ("**CODM**") that are used to strategic decisions.

The Group has three reportable segments. The segments are managed separately because each segment offers different products and services and requires different strategies. The following summary describes the operations in each of the Group's reportable segments:

Continuing operation

Treasury investment segment	–	Investment and trading in securities, fund investments and related activities and provision of financial assistance
Financial service segment	–	Advisory on securities, asset management and consultancy and corporation solution services

Discontinued operation

Manufacturing segment	–	Manufacture and sales of PCBs

No operating segments have been aggregated in arriving at the reportable segments of the Group.

Note: During the year ended 31 December 2024, the Group had discontinued the operation of manufacturing and sale of PCBs as a result of losing control over its subsidiary, TPC PC2 LTD. The loss of control occurred following the lender exercised a pledged clause in a loan agreement.

Corporate income and expenses and corporate assets and liabilities are not allocated to the operating segments as they are not included in the measure of the segments' results and assets and liabilities that are used by the CODM for assessment of segment performance.

Inter-segment transactions, if any, are priced with reference to prices charged to external parties for similar order.

	2024		
	Continuing operations		
	Treasury investment	**Financial service**	**Total**
	HKD'000	***HKD'000***	***HKD'000***
Revenue from external customers	**2,431**	**–**	**2,431**
Reportable segment loss	**(253,005)**	**–**	**(253,005)**
Amounts included in the measure of segment profit or loss:			
Interest income	**–**	**–**	**–**
Finance costs	**(109,601)**	**–**	**(109,601)**
Depreciation of right-of-use assets	**(833)**	**–**	**(833)**
Share of results of associates	**(4,269)**	**–**	**(4,269)**
Impairment loss on investment in associates	**(149,100)**	**–**	**(149,100)**
Impairment loss on financial assets	**(123,300)**	**–**	**(123,300)**
Amounts included in the measure of segment assets:			
Interests in associates	**371,190**	**–**	**371,190**
Additions to non-current assets#	**1,682**	**–**	**1,682**
Reportable segment liabilities	**(1,099,345)**	**–**	**(1,099,345)**

	2023		
	Continuing operations		
	Treasury investment	Financial service	Total
	HKD'000	*HKD'000*	*HKD'000*
Revenue from external customers	(5,435)	–	(5,435)
Reportable segment loss	(281,727)	(5,191)	(286,918)
Amounts included in the measure of segment profit or loss:			
Interest income	12,048	–	12,048
Finance costs	(45,795)	–	(45,795)
Depreciation of property, plant and equipment	(1,220)	–	(1,220)
Depreciation of right-of-use assets	(818)	–	(818)
Write-down of other payables	(3,518)	–	(3,518)
Share of results of associates	(14,779)	–	(14,779)
Impairment loss on financial assets	(216,740)	–	(216,740)
Reportable segment assets	1,205,267	66,172	1,271,439
Amounts included in the measure of segment assets:			
Interests in associates	528,622	–	528,622
Additions to non-current assets#	–	–	–
Reportable segment liabilities	(1,003,555)	(44,266)	(1,047,821)

Include additions to property, plant and equipment and right-of-use assets

Reconciliation of reportable segment profit or loss, assets and liabilities in continuing operations:

	2024	2023
	HKD'000	*HKD'000*
Profit or loss		
Reportable segment loss	**(253,005)**	(286,918)
Other unallocated staff cost	**–**	(4,529)
Consolidated loss before income tax expense from continuing operations	**(253,005)**	(291,447)

	2024	2023
	HK$'000	*HK$'000*
Assets		
Reportable segment assets of continuing operations	**980,147**	1,271,439
Reportable segment assets of discontinued operation	**–**	435,271
Unallocated bank balances and deposits	**921**	681
Consolidated total assets	**981,068**	1,707,391

	2024	2023
	HK$'000	*HK$'000*
Liabilities		
Reportable segment liabilities of continuing operations	**1,099,345**	1,047,821
Reportable segment liabilities of discontinued operation	**–**	489,515
Tax payable	**–**	274,643
Consolidated total liabilities	**1,099,345**	1,811,979

(b) Geographical information

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than financial instruments ("**Specified non-current assets**") for the year ended 31 December 2023.

	Revenue from external customers *(Note)*		**Continuing operations Specified non-current assets**	
	Continuing operations	Continuing operations		
	2024	2023	**2024**	2023
	HKD'000	*HKD'000*	***HKD'000***	*HKD'000*
Hong Kong (place of domicile)	**2,431**	(5,435)	**1,122**	273

Note:

Revenue is attributed to countries on the basis of the customer's location. Non-current asset is attributed to countries on the basis of the location of the assets.

5. REVENUE

	2024	2023
	HKD'000	*HKD'000*
Continuing operations		
Fair value gain/(loss) on trading purpose equity investments at FVTPL, net		
– Unrealised gain/(loss)	**2,031**	(17,983)
Interest income		
– Loan and note receivables	**–**	12,048
Management fee income	**400**	500
Total revenue	**2,431**	(5,435)

There was no inter-segment sales between segments and therefore the amount on sales to external customers by segment is as the same as total revenue from contracts with customers by segment in both years.

6. OTHER INCOME

	2024	2023
	HKD'000	*HKD'000*
		(Restated)
Continuing operations		
Bank interest income	**–**	3
Others	**–**	402
	–	405

7. OTHER GAINS AND LOSSES, NET

	2024	2023
	HKD'000	*HKD'000*
		(Restated)
Continuing operations		
Net exchange gain	**3,078**	11,534
Reversal of written back on other payables and accruals	**–**	(3,518)
Impairment loss on investment in an associate	**(149,100)**	–
	(146,022)	8,016

8. FINANCE COSTS

	2024	2023
	HKD'000	*HKD'000*
		(Restated)
Continuing operations		
Interest on:		
– Lease liabilities	**54**	37
– Borrowings	**54,513**	45,758
– Loans from a director	**49**	–
Additional charges for default on borrowings	**54,985**	–
	109,601	45,795

9. INCOME TAX CREDIT

The amount of income tax credit in the consolidated statement of profit or loss and other comprehensive income represents:

	2024	2023
	HKD'000	*HKD'000*
		(Restated)
Current tax – PRC Enterprise Income Tax		
– tax for the year	**34,516**	–

For Hong Kong profits tax, under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of the group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% on estimated assessable profits arising from Hong Kong during both years.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the statutory tax rate of the Group's PRC subsidiaries is 25% (2023: 25%).

10. LOSS BEFORE TAX FROM CONTINUING OPERATIONS

The Group's loss for the year is stated after charging/(crediting) of the following:

	2024	2023
	HKD'000	*HKD'000*
		(Restated)
Auditor's remuneration		
Audit services		
– Current year	**900**	1,150
Depreciation charge of right-of-use assets	**833**	818
Impairment loss on investment in associates	**149,100**	–
Gain on disposal of subsidiaries	**(148,058)**	–
Legal and professional fee	**7,804,000**	4,101,000
Impairment loss on financial assets	**123,300**	216,740
Employee costs *(Note 11)*	**8,201**	7,380

11. EMPLOYEE COSTS

	2024	2023
	HKD'000	*HKD'000*
		(Restated)
Continuing operations		
Employee costs (including directors' remuneration) comprise:		
– Wages and salaries	**7,530**	7,197
– Contributions to retirement benefits scheme	**650**	109
– Other staff benefits	**21**	74
	8,201	7,380

12. LOSS PER SHARE

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

	2024	2023
	HKD'000	*HKD'000*
Loss		
Loss for the purposes of basic and diluted loss per share		
– Continuing operations	**(218,489)**	(291,447)
– Discontinued operation	**195,158**	(84,839)
Total	**(23,331)**	(376,286)

	2024	2023
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**2,648,000,000**	2,648,000,000

No adjustment is made to the basic loss per share for the years ended 31 December 2024 and 2023 as the potential ordinary shares represented by the share awards have an anti-dilutive effect on the basic loss per share amounts presented.

13. TRADE RECEIVABLES, PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2024	2023
	HKD'000	*HKD'000*
Trade receivables *(Note (a))*	**–**	150,275
Less: Allowance for doubtful debts *(Note (a))*	**–**	(93,508)
	–	56,767
Prepayments, other receivables and other assets *(Note (b))*		
– Prepayments	**302**	5,499
– Deposits paid	**328**	1,980
– Other receivables (i)	**32,700**	60,230
– Loan to a third party (ii)	**–**	2,426
	33,330	70,135
	33,330	126,902

Notes:

(a) Trade receivables

The Group's trade receivables that are denominated in a currency other than the functional currencies of the relevant group entities are set out below:

	2024	2023
	HKD'000	*HKD'000*
Denominated in United States dollars ("**US$**")	**–**	52,891

Customers of manufacturing segment were generally granted with credit terms of 30 to 120 days while no credit period will normally be granted to customers in treasury investment and financial service segments. The ageing analysis of trade receivables based on invoice date (net of allowance for doubtful debts) at the end of reporting period is as follows:

	2024	2023
	HKD'000	*HKD'000*
0 – 30 days	**–**	18,678
31 – 60 days	**–**	5,226
61 – 90 days	**–**	16,720
Over 90 days	**–**	16,143
	–	56,767

The ageing of trade receivables (net of allowance for doubtful debts) which are past due is as follows:

	2024	2023
	HKD'000	*HKD'000*
Not yet past due	**–**	–
0 – 30 days past due	**–**	7,400
31 – 90 days past due	**–**	1,909
Over 90 days past due	**–**	2,710
	–	12,019

The movement in impairment loss on trade receivables from contracts with customers during the year is as follows:

	2024	2023
	HKD'000	*HKD'000*
At beginning of the year	**93,508**	92,108
Deconsolidation of subsidiaries	**(93,508)**	–
Impairment loss recognised	**–**	1,419
Exchange realignment	**–**	(19)
At end of the year	**–**	93,508

(b) Prepayments, other receivables and other assets

Deposits and other receivables are all denominated in functional currencies of the relevant group entities at the end of both reporting periods.

(i) As at 31 December 2024, the allowance for impairment loss was HK$67,300,000 (2023: HK$50,000,000) Other receivables mainly include receivables from Cayman Islands funds set up by the Group over which the Group has no control.

(ii) The loan of RMB2,100,000 is interest bearing of 5% per annum with a maturity period of 3 years.

14. LOAN RECEIVABLES

	2024 *HKD'000*	2023 *HKD'000*
Secured loans	**1,304,136**	1,710,891
Less: Allowances for doubtful debts	**(788,056)**	(1,080,756)
	516,080	630,135

15. NOTE RECEIVABLES

	2024 *HKD'000*	2023 *HKD'000*
Secured	**–**	230,165
Less: Allowances for doubtful debts	**–**	(230,165)
	–	–

The bond of HK$230,165,000 held by the Group was a 5% fixed coupon redeemable unlisted bond secured by the issuer's interests in certain bonds issued by a company listed on the Stock Exchange (the "**Listed Company**"). As at 31 December 2023, the note receivables at amount of HK$230,165,000 was fully impaired by the Group after considering (i) trading of the stock of the Listed Company was suspended in July 2023; and (ii) the Group engaged a lawyer and sent demand letters to the Listed Company in September 2023 , which the Group has not received any response from the Listed Company since September 2023. During the year ended 31 December 2024, the note receivables were derecognised through disposal of subsidiaries.

16. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	2024 *HKD'000*	2023 *HKD'000*
Trade payables	**–**	60,459
Other payables and accruals		
– Other payables *(Note)*	**44**	66,231
– Interests payables	**34,942**	26,814
– Payables for additional charges for default on borrowings	**54,985**	–
– Accruals	**17,797**	87,109
– Provision for litigation	**–**	54,225
	107,768	234,379
	107,768	294,838

As at 31 December 2023, the amounts of HK$225,741,000 were related to the deconsolidated subsidiaries.

An aging analysis of the trade payables as at each reporting date, based on the invoice date, is as follows:

	2024	2023
	HKD'000	*HKD'000*
0 – 30 days	–	9,963
31 – 60 days	–	11,089
61 – 90 days	–	7,022
Over 90 days	–	32,385
	–	60,459

The Group's trade payables that are denominated in a currency other than the functional currencies of the relevant group entities are set out below:

	2024	2023
	HKD'000	*HKD'000*
Denominated in Japanese Yen	–	168

The trade payables are non-interest-bearing and are normally settled on terms of 60 to 120 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

The Group's other payables and accruals are denominated in functional currencies of the relevant group entities at the end of both reporting periods.

Note:

As at 31 December 2023, certain payable of approximately HK$16,668,000 was due to Mr. Cheok Ho Fung ("**Mr. Cheok**"), an executive director of the Company, unsecured, interest-free and repayable on demand.

17. BORROWINGS

	2024	2023
	HKD'000	*HKD'000*
Secured bank loans repayable within one year *(Note (a))*	–	116,779
Other loans, unsecured *(Note (b))*	**172,437**	266,607
Other loans, secured *(Note (c))*	**817,322**	812,082
	989,759	1,195,468

Notes:

(a) The bank loans are secured by certain buildings and right-of- use assets in respect of leasehold land held by the Group, corporate guarantee of the Company and personal guarantee of Mr. Cheok. As at 31 December 2023, bank loans of approximately HK$116,779,000 carried fixed interest rate ranged from 3.65% to 6.07% per annum.

(b) As at 31 December 2024, including in unsecured other loans obtained from Jade Summit Holdings Limited, an associate amounted to approximately HK$163,337,000 (2023: HK$166,415,000). The loan from the associate is non-interest bearing, unsecured and has no fixed term of repayment. The amount of HK$7,100,000 obtained from an independent third party lender is non-interest bearing, unsecured and has no fixed terms of repayment. The amount of HK$1,000,000 obtained from an independent third party lender is unsecured, interests-bearing at the rate of 3% per annum and repayable on 31 December 2020. The amount of HK$1,000,000 obtained from an independent third party lender is unsecured, interest-bearing at the rate of 10% per annum and repayable on 31 December 2023.

(c) Secured other loans borrowed from an independent third party lender bears interest at a rate of 3% to 8% per annum (2023: 3% to 8% per annum) and approximately HK$817,322,000 are repayable within the next twelve months (2023: HK$812,082,000 of which are repayable within the next twelve months). The balance is secured by:

– Corporate guarantee of the Company;

– Equity interests in certain former subsidiaries of the Company;

– The Group's interest in an associate;

– Trade and loan receivables with carrying amount of approximately HK$199,799,771 (2023: HK$215,328,000); and

– Financial assets at fair value through profit or loss ("**FVTPL**") with carrying amount of approximately HK$39,418,000 (2023: HK$18,269,000).

(d) Including in the secured other loans, the principal amount of RMB170,000,000 (2023: RMB170,000,000) from the Lender. The Lender exercised a pledged caused in a loan agreement, TPC PC2 LTD has been transferred to the Lender. As at 31 December 2024, the loan is secured by:

– Corporate guarantee of the Company and former subsidiaries;

– Equity interests in certain former subsidiaries of the Company;

– Corporate guarantee by securities;

– Debentures of certain former subsidiaries.

MANAGEMENT DISCUSSION AND ANALYSIS

References are made to (i) the Company's announcement dated 28 June 2022 in relation to the HK Demand Letter and the PRC Demand Letter; (ii) the Company's announcement dated 8 July 2022 in relation to the Second HK Demand Letter and the Second PRC Demand Letter; (iii) the Company's announcement dated 20 July 2022 in relation to the progress of negotiation with the Lender in connection with the repayment of the Outstanding Sum; (iv) the Company's announcement dated 29 July 2022 in relation to the engagement of legal advisers to negotiate with the Lender and/or to prepare or review documentation on any settlement in connection with the repayment of the Outstanding Sum; (v) the Company's announcement dated 12 August 2022 in relation to the Third HK Demand Letter; (vi) the Company's announcement dated 21 June 2024 in relation to the Fourth HK Demand Letter; (vii) the Company's announcement dated 19 July 2024 in relation to the Fifth HK Demand Letter; (viii) the Company's announcement dated 8 November 2024 in relation to the Sixth HK Demand Letter and the 30 October 2024 PRC Demand Letter; (ix) the Company's announcement dated 27 January 2025 in relation to formation of a special investigation committee; (x) the Company's announcement dated 18 February 2025 in relation to the change in composition of the special investigation committee; and (xi) the Company's announcement dated 25 February 2025 in relation to the Purported Disposal.

One of the collateral arrangements involved the pledge of the entire issued share capital of TPC PC2 LTD ("**PC2**"), then a wholly owned subsidiary of the Group (the "**Share Charge**"). On 16 December 2024, the Lender purportedly exercised its rights under the Share Charge and disposed of the charged shares to a buyer, purportedly an independent third party of the Group. PC2 is an investment holding company which held the Group's equity interests in the subsidiaries of the Group which are principally engaged in manufacturing and sales of printed circuit boards (the "**Manufacturing Segment**"). Following the Purported Disposal, the Company has lost control over this group of companies held through PC2 (collectively, "**PC2 Group**" or "**Deconsolidated Subsidiaries**") and could not access the accounting books and records of PC2 Group. The directors of the Company have determined that control over PC2 Group was lost as of 16 December 2024 and accordingly, the PC2 Group have been deconsolidated from the Group's consolidated financial statements with effect from 16 December 2024. Restatement of the financial statements for the year of 2023 to reflect the effect of deconsolidated subsidiaries.

FINANCIAL PERFORMANCE

For the Year, the Group recorded a total revenue of approximately HK$2.43 million as compared with the total loss of approximately HK$5.44 million for the corresponding year in 2023. Such a increase in revenue was mainly due to the increase of unrealised fair value gains on financial assets

For the Year, the Group recorded a loss before tax of approximately HK$253.01 million (2023: HK$291.45 million), which was mainly attributable to (i) the unrealised fair value gains on financial investments held for trading through profit or loss of approximately HK$2.03 million (2023: unrealised fair value losses HK$17.98 million) and (ii) the impairment losses on trade receivables, other receivables, loan receivables and note receivables of approximately HK$272.40 million in total in respect of the Group (2023: HK$216.74 million).

Loss attributable to owners of the Company for the Year amounted to approximately HK$23.33 million, as compared with the loss attributable to owners of the Company of approximately HK$376.29 million for the corresponding year in 2023. Basic loss per share attributable to owners of the Company for the Year was approximately 0.88 HK cents, as compared with that of 14.21 HK cents for the corresponding year in 2023.

FINAL DIVIDENDS

The Board has resolved not to recommend any declaration of final dividend for the Year (2023: Nil).

BUSINESS REVIEW

Treasury Investments

During the Year, the Group's treasury investments team continued to endeavor making effective use of its available financial resources in monitoring and making investment/disposal on a wide variety of financial assets including investments in listed equity securities, investments in funds, and the provision of financial assistance to independent third parties.

For the Year, the Group's treasury investments segment recorded a loss of approximately HK$218.49 million (2023: HK$281.73 million) in the form of unrealised fair value losses and interest income. The substantial fair value losses were arisen from the adverse market price changes of listed securities held by the Group caused by the downturn of the Hong Kong stock market and the downward share price performance of the listed securities held by the Group during the Year. The provision for impairment losses was arisen as a result of the increase in credit-impaired receivables of the treasury investments segment.

Financial Services

As at the date of this announcement, the Group is exploring the option of ceasing the regulated activities of financial services by way of disposal of its remaining 34% of the shareholdings of immediate holding company holding Renco Investments Limited ("**Renco Investments**") after evaluating the cost and benefit of such actions. As at the date of this announcement, Renco Investments carried out Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities under the Securities and Futures Ordinance.

Investment, Consultancy and Corporation Solution Services

For investment, consultancy and corporation solution services, the Group had built up a professional investment team with investment banking and corporate finance experience and exposure in order to improve the efficiency and quality of services.

During the Year, the Group did not provide any consultancy and corporate solution services due to the capital market fluctuations.

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group generally finances its operations through a combination of internally generated cash flows, shareholders' equity and borrowings from banks and the independent third parties.

As at 31 December 2024, the Group had total equity of approximately HK$118.28 million (31 December 2023: HK$104.59 million) and net debts (trade payables, other payables and accruals, loan from a Director, and borrowings less bank balances and deposits) of approximately HK$1,097.31 million (31 December 2023: HK$1,483.39 million), representing a gearing ratio, defined as net debts over total equity plus net debts, of 112.08% (31 December 2023: 107.59%).

As at 31 December 2024, the Group's net current liabilities of approximately HK$492.55 million (31 December 2023: net current liabilities of approximately HK$916.41 million) consisted of current assets of approximately HK$606.57 million (31 December 2023: HK$868.39 million) and current liabilities of approximately HK$1,099.12 million (31 December 2023: HK$1,784.80 million), representing a current ratio of 0.55 (31 December 2023: 0.49).

As at 31 December 2024, the Group's current assets consisted of approximately HK$0.92 million (31 December 2023: HK$23.88 million) held as bank balances and deposits, which were mainly denominated in HK$, US$ and RMB.

CAPITAL STRUCTURE

As at 31 December 2024, the total issued share capital of the Company was HK$264,800,000 (31 December 2023: HK$264,800,000), comprising 2,648,000,000 (31 December 2023: 2,648,000,000) ordinary shares of HK$0.1 each.

SIGNIFICANT INVESTMENTS

Subscription and/or Holding of Listed Securities

As at 31 December 2024, the Group held financial assets at FVTPL of approximately HK$58.43 million (31 December 2023: HK$56.40 million) of which the club debenture of approximately HK$2.19 million (31 December 2023: HK$2.19 million) was classified as non-current assets and the listed equity investments of approximately HK$56.24 million (31 December 2023: HK$54.21 million) was classified as current assets in the consolidated statement of financial position of the Group.

Listed below are the particulars of the Group's major listed securities investments:

For the year ended 31 December 2024

Name of investment targets	*Notes*	Number of shares	Approximate percentage of interest held	Cost/ fair value as at 1 January 2024 *(HK$'000)*	Additions/ (transfer) *(HK$'000)*	Market prices as at 31 December 2024 *(HK$)*	Market value *(HK$'000)*	Approximate percentage of investments attributable to the Group's total assets as at 31 December 2024	Dividend received *(HK$'000)*	Disposal gain/(loss) *(HK$'000)*	Fair value gain/(loss) *(HK$'000)*
SuperRobotics Holdings Limited ("**SuperRobotics**") (HKSE Stock Code: 8176) (the "**SuperRobotics Shares Batch 1**")	*(a)*	41,666,666	8.23%	10,417	N/A	0.117	4,875	0.50%	N/A	N/A	(5,542)
SuperRobotics (the "**SuperRobotics Shares Batch 2**")	*(b)*	64,148,063	12.67%	16,037	N/A	0.117	7,505	0.76%	N/A	N/A	(8,532)
SuperRobotics (the "**SuperRobotics Shares Batch 3**")	*(c)*	24,397,946	4.82%	6,099	N/A	0.117	2,855	0.29%	N/A	N/A	(3,245)
SuperRobotics (the "**SuperRobotics Shares Batch 4**")	*(d)*	13,533,333	2.67%	3,383	N/A	0.117	1,583	0.16%	N/A	N/A	(1,800)
Huarong International Financial Holdings Limited (HKSE Stock Code: 993) (the "**Huarong Financial**")	*(e)*	237,359,400	2.73%	14,241	N/A	0.154	36,553	3.73%	N/A	N/A	22,312
Bank of Gansu Co., Ltd. (HKSE Stock Code: 2139) (the "**Bank of Gansu**")	*(f)*	11,506,000	0.30%	4,027	N/A	0.249	2,865	0.29%	N/A	N/A	(1,162)

(a) SuperRobotics Shares Batch 1

On 23 November 2016, the Group entered into a placing letter with a placing agent, pursuant to which, among others, the Group agreed to (i) subscribe for a total number of 35,416,666 shares (the "**SuperRobotics Shares**") in SuperRobotics at a subscription price of HK$4.80 per share, whose shares are listed on the GEM of the Stock Exchange (HKSE Stock Code: 8176); and (ii) acquire 6,250,000 SuperRobotics Shares from New Cove Limited (a then substantial shareholder of SuperRobotics) at a purchase price of HK$4.80 per share. On 5 December and 14 December 2016, the above two transactions were completed respectively, and a total consideration of approximately HK$200.00 million (exclusive of stamp duty, trading fees, transaction levies and brokerage) was paid out by the Group. Further details of the subscription and acquisition of SuperRobotics Shares Batch 1 were set out in the Company's announcement dated 23 November 2016.

The principal activities of SuperRobotics are the provision of engineering products and related services and the sales of beauty products and provision of therapy services.

The Board noted that the robust development of the robotic industry in the PRC represents an enormous potential for market expansion for SuperRobotics in the future. The construction of intelligent cities had been in full swing based upon the artificial intelligence technology. The wide application of intelligent robotics covered from police use to various aspects such as services and security. The investment team of the Group considered that the investment in SuperRobotics would be expected to generate returns to the Group after the realisation and the large-scale expansion of the use of relevant technologies in the future.

(b) SuperRobotics Shares Batch 2

On 6 December 2019, the Group entered into a deed of adherence and assignment, pursuant to which the Group acquired the interest of 75% in the HKBridge Absolute Return Fund LP (the "**Absolute Return Fund**") at the consideration of approximately HK$160.00 million to become one of the limited partners, while the Group also acted as the general partner and manager of the Absolute Return Fund. The fair value of SuperRobotics Shares Batch 2, being the asset/ portfolio investment under the Absolute Return Fund, as at the date of acquisition amounted to approximately HK$186.03 million. Further details of the Absolute Return Fund were set out in the Company's announcement dated 6 December 2019. The Absolute Return Fund has become an indirect subsidiary of the Group since 6 December 2019 according to the Group's accounting policy. Pursuant to the OBOR Funds Restructuring, the Group further acquired 25% interest of the Absolute Return Fund during the year of 2020 and became the only limited partner of the Absolute Return Fund.

The Absolute Return Fund's investment objective was to generate returns by investing all or substantially all of its assets in the equity securities of the portfolio companies in the industry of in-flight wireless network engineering and services as their main business in Hong Kong (the "**Portfolio Investment I**"). The Absolute Return Fund might choose to invest all or substantially all of its assets in a single investment. It was therefore possible that the underlying investments of the Portfolio Investment I would be concentrated.

With reference to the investment objectives of the Absolute Return Fund, the Absolute Return Fund held the Portfolio Investment I in relation to the broad application of artificial intelligence technology in telecommunications and the construction of intelligent cities. The general partner and manager continued to research on the industry of high and new technology to expand the fund investing activities. The Board considered that the subscription of interests in the Absolute Return Fund was beneficial to the Group and the Shareholders as a whole, by generating the returns from the investments and to enhance the experience of assets management in the coming years.

During the Year, all the shares of SuperRobotics Shares Batch 2 have been fully distributed to its sole limited partner of the Absolute Return Fund.

(c) SuperRobotics Shares Batch 3

On 29 May 2020, the Hong Kong Bridge One Belt One Road Natural Resource Fund LP (the "**Natural Resource Fund**"), the Hong Kong Bridge One Belt One Road Fixed Income Fund LP (the "**Fixed Income Fund**") and the two limited partners of the Hong Kong Bridge High-Tech Investment Fund LP (the "**High-Tech Investment Fund**") entered into the OBOR Funds Restructuring, pursuant to which each of the Natural Resource Fund and the Fixed Income Fund acquired the interest of 50% of the High-Tech Investment Fund by assigning their note receivables to the previous limited partners respectively to become the new limited partners, while the Group also acted as the general partner and manager of the High-Tech Investment Fund. The series of restructuring and debt assignment agreements took retrospective effect on 1 January 2020. The fair value of SuperRobotics Shares Batch 3, being the asset/portfolio investment under the High-Tech Investment Fund, as at the date of acquisitions amounted to approximately HK$70.75 million as at 1 January 2020. The High-Tech Investment Fund had become an indirect wholly-owned subsidiary of the Company since 1 January 2020 according to the Group's accounting policy.

The High-Tech Investment Fund's investment objective is to generate high risk-adjusted returns by primarily investing in equity, equity-related investments, fixed income securities, debt securities and loans or convertible bonds in connection with high-tech industries in Hong Kong (the "**Portfolio Investment II**").

With reference to the investment objectives of the High-Tech Investment Fund, the High-Tech Investment Fund currently invests in the debt equity and holds the Portfolio Investment II in relation to the broad application of artificial intelligence technology in the industry of telecommunications and the construction of intelligent cities. The general partner and manager of the High-Tech Investment Fund continued to research on the industry of high and new technology to expand the fund investing activities. The Board considered that the subscription of interests in the High-Tech Investment Fund was beneficial to the Group and the Shareholders as a whole, by generating the returns from the investments and to enhance the experience of assets management in the coming years.

During the Year, all the shares of SuperRobotics Shares Batch 3 have been fully distributed to the sole limited partner of the High-Tech Investment Fund.

(d) SuperRobotics Shares Batch 4

During the Year, the Group received 5,200,000 shares and 8,333,333 shares from each of the two independent third parties pursuant to the debt restructuring respectively, totaling 13,533,333 shares of the SuperRobotics Shares.

As at the date of this announcement, the Group held approximately 28.4% shareholding in SuperRobotics after the aforesaid reconstruction and the market value of all SuperRobotics Shares was approximately HK$16.82 million.

(e) Huarong Financial Shares

On 8 December 2017, the Group acquired a total of 88,000,000 shares (the "**Huarong Investment Shares**") in Huarong Investment Stock Corporation Limited ("**Huarong Investment**") (whose shares were then listed on the Stock Exchange (HKSE Stock Code: 2277)) through a broker from an independent third party at the price of HK$0.90 per share. The total consideration of HK$79.20 million for the acquisition of Huarong Investment Shares was financed by the Group's net proceeds received from the exercise of the put option by the Group during 2017. On 5 February 2018 and 6 February 2018, the Group further acquired a total of 2,600,000 Huarong Investment Shares at the average price of HK$1.32 per share through a broker from an independent third party. Further details of the acquisition of Huarong Investment Shares in 2017 were set out in the Company's announcement dated 8 December 2017.

The principal activities of Huarong Investment are direct investments, foundation and substructure construction services, financial services and others.

Due to the unexpected continuing downturn in the share price performance of Huarong Investment, the Group's investment team decided to minimise the continuing unrealised losses by completing the disposal of a total of 6,430,000 Huarong Investment Shares through a broker at the total consideration of approximately HK$3.35 million during the year of 2018.

Huarong Investment together with Huarong Financial published a joint announcement dated 11 November 2020 to disclose that the privatisation scheme of Huarong Investment became effective on 10 November 2020 and the withdrawal of the listing of Huarong Investment Shares on the Stock Exchange became effective on 12 November 2020 after the trading hours. Upon completion of the privatisation scheme, the balance of 84,170,000 Huarong Investment Shares were converted into a total of 237,359,400 shares (the "**Huarong Financial Shares**") in Huarong Financial on 13 November 2020.

The principal activities of Huarong Financial are (i) engaging in the broking and dealing of securities, futures and options contracts, as well as the provision of margin financing services, (ii) engaging in the provision of underwriting, sponsoring and financial advisory services of securities to institutional clients, (iii) engaging in the provision of asset management services, as well as the direct investments in equities, bonds, funds, derivative instruments and other financial products, and (iv) involving in money lending, the provision of pawn loan services and the provision of financial lease services through its subsidiaries.

As at the date of this announcement, all of the Huarong Financial Shares have been pledged as security for a long-term borrowing of approximately HK$675.90 million of the Group and the fair value of the Huarong Financial was approximately HK$36.55 million.

(f) Bank of Gansu Shares

After the OBOR Funds Restructuring initiated by the general partner and manager of the Fixed Income Fund and Hong Kong Bridge One Belt One Road Growth Income Fund, L.P. (the "**Growth Fund**") of which a subsidiary of the Group acted as the limited partner, the Fixed Income Fund and the Growth Fund held a total of 3,336,740 shares in Bank of Gansu (the "**Bank of Gansu Shares**") upon completion of the OBOR Funds Restructuring. The initial cost of such shares was approximately HK$4.97 million at the date of the execution of the OBOR Funds Restructuring. During the year 2020, the Group also acquired 8,169,260 Bank of Gansu Shares at an initial cost of approximately HK$24.34 million.

Bank of Gansu mainly operates its businesses through three segments: (i) the corporate banking segment, which offers financial products and services, including loans, discounted bills, deposits, and fee-and commission-based products and services; (ii) the financial market operation segment, which issues debit cards denominated in Renminbi to retail customers holding deposit accounts with the Bank of Gansu; and (iii) the retail banking segment, which offers retail customers financial products and services including loans, discounted bills, deposits, and fee-and commission-based products and services.

During the Year, the investment in the Bank of Gansu Shares recorded an unrealised fair value loss of approximately HK$8.05 million (2022: HK$5.18 million) due to the unexpected downturn in the share price performance of Bank of Gansu. With reference to the investment objectives of the Fixed Income Fund and the Growth Fund, the general partner and manager considered that the investment in Bank of Gansu was beneficial to the Group and the Shareholders as a whole, by generating the returns from medium to long term investments and by enhancing the experience of assets management in the coming years.

As at the date of this announcement, all of the Bank of Gansu Shares have been pledged as security for the long-term borrowings of approximately HK$675.90 million in total and the fair value of the Bank of Gansu Shares was approximately HK$2.86 million.

PROVISION OF FINANCIAL ASSISTANCE

During the Year, the Group also engaged in the provision of financial assistance for debt investments to some independent third parties. As at 31 December 2024, the total outstanding receivables in relation to this activity amounted to approximately HK$516.04 million (31 December 2023: HK$630.14 million) and those transactions set out below were relatively significant to the Group at the time of entering into the relevant agreements between the Group and those relevant independent third parties respectively.

The Group had provided additional impairment of approximately HK$114.10 million (2023: HK$211.55 million) for those overdue financial assistances during the Year. The Board was of the opinion that such impairment provided by the Group were made in accordance with the requirements of the accounting standards.

In order to lower the investment risks and reduce the losses, the Group puts its best efforts to maximise the recovery of the relevant financial assistances by restructuring or conducting lawsuits against several debtors. The Board will keep on assessing and ascertaining the recoverability of the following transactions closely and may further increase the provisions for impairment loss in the coming years.

(a) Zhanjiang Advance

On 22 March 2017, the Group entered into a loan facility agreement with Zhanjiang Dingsheng Real Estate Development Co., Ltd.* (湛江市鼎盛房地產開發有限公司) (the "**Zhanjiang Borrower**") and the guarantors for the provision of a loan facility of not more than RMB200.00 million (the "**Zhanjiang Advance**"). Details in relation to Zhanjiang Advance were set out in the Company's announcement dated 22 March 2017.

Due to the default in repayment and failure of negotiation for settlement of the Zhanjiang Advance, the Group filed a statement of claim (起訴狀) on 30 June 2019 at the Shaoguan Intermediate People's Court (韶關市中級人民法院) (the "**Shaoguan Court**") against the Zhanjiang Borrower and the guarantors to claim for the principal amount of the Zhanjiang Advance of RMB200.00 million and the interest accrued which remained outstanding and amounted to approximately RMB60.75 million as at 30 June 2019. Subsequent to such filing, the Group received a notice of acceptance for litigation proceedings (受理案件通知書) issued by the Shaoguan Court on 16 July 2019. On 24 July 2019, the Group paid the required litigation fee to the Shaoguan Court to confirm the first hearing of the said litigation proceedings which was originally scheduled to be held on 20 August 2019, but was adjourned to be held on 14 February 2020. Details in relation to the aforesaid legal proceedings were set out in the Company's announcement dated 25 July 2019.

On 21 January 2021, the Group received the first judgement issued by Shaoguan Court (the "**First Judgement**"). It was held that the Zhanjiang Borrower and the guarantors were liable to make payment to the Group for (i) the total sum of about RMB178.36 million (the "**New Principal**"), including the outstanding principal and interests accrued at the rate of 4.75% per annum from the borrowing date to 16 May 2019, (ii) the interest on the amount of the New Principal accrued from 16 May 2019 to 19 August 2019 at the rate of 4.75% per annum, and (iii) the interest on any outstanding amount commencing from 20 August 2019 until the final settlement of the amount of the New Principal would accrue at the one-year term of Loan Prime Rate (貸款市場報價利率) announced by the National Interbank Funding Center (全國銀行間同業拆借中心) in the PRC. The Group subsequently filed an appeal against the First Judgement on 9 February 2021 after having consulted with its PRC legal advisors. Subsequent to such filing of appeal, the Group received a notice of acceptance for appeal proceedings issued by Shaoguan Court on 19 February 2021. However, in order to recover this financial assistance as soon as possible by way of exercising its right in the 55% equity interest in the Zhanjiang Borrower, the Group withdrew the appeal and received the withdrawal notice from the Shaoguan Court on 16 July 2021, and received the final judgement dated 8 July 2021 (the "**Final Judgement**").

Pursuant to the Final Judgement, the Group applied to the Shenzhen Intermediate People's Court (深圳市中級人民法院) (the "**Shenzhen Court**") on 10 August 2021 to exercise its right in the 55% equity interest in the Zhanjiang Borrower. On 8 October 2021, the Group received the judgement dated 29 September 2021 from the Shenzhen Court which objected the Group to apply for the exercise of such rights in the Shenzhen Court. After consulting with its PRC legal advisors, the Group submitted an objection to such judgement from the Shenzhen Court to The High People's Court of Guangdong Province (廣東省高級人民法院) (the "**Guangdong High Court**") for the final appeal on 15 October 2021.

Due to the failure of Zhanjiang Borrower to make repayment and having regard to the lengthy legal proceedings and enforcement process, the management of the Group considered that the loan amount due from the Zhanjiang Borrower would probably not be recovered until the second half year of 2024. Having considered the existing market value of the collaterals by the management of the Group, no further impairment loss was provided for the Year in respect of the loan receivables according to the HKFRS 9 (2023: HK$Nil). The carrying amount of the amount due from the Zhanjiang Borrower (after deducting the accumulated impairment loss of HK$155.83 million) as at 31 December 2024 was approximately HK$119.01 million (31 December 2023: HK$192.05 million).

As at the date of this announcement, the Group has not yet received any details on the hearing of the relevant legal proceedings from the Guangdong High Court but will keep on consulting with its PRC legal advisors for exploring further legal actions. Further announcement(s) regarding any significant developments on the above litigation will be published as and when appropriate.

(b) Zhonghong Advance

On 25 January 2018, the Group entered into a loan agreement with Zhonghong Holding Co., Ltd.*（中弘控股股份有限公司）(the "**Zhonghong Borrower**") for the amount of RMB200.00 million (the "**Zhonghong Advance**"). On 3 September 2018, the Group and the Zhonghong Borrower further entered into a supplemental agreement with each of Weifang Hengqi Changsheng Co., Ltd.*（濰坊恆祺昌盛有限公司）(the "**Weifang Borrower**") and Grandcheer Limited (the "**Grandcheer Borrower**") respectively, and a guarantee agreement with the Weifang Borrower and the Grandcheer Borrower. Pursuant to the said agreements, both amounts due from Weifang Borrower of RMB90.00 million and Grandcheer Borrower of HK$48.00 million (together with the Zhonghong Advance totalling approximately HK$381.50 million, collectively the "**New Zhonghong Advance**") were to be repaid by Zhonghong Borrower on a joint basis, with interest calculated for accrued amount at the rate of 24% per annum commencing from 12 May 2018 until the final settlement of the loan principal has been received. In addition, the New Zhonghong Advance under the aforesaid supplemental agreements were guaranteed by the Zhonghong Borrower and the relevant guarantors, which are indirectly wholly-owned subsidiaries of the Zhonghong Borrower with the Sea Area Use Certificate（海域使用權證書）from State Ocean Administration（國家海洋局）in the PRC under the process of land reclamation for further property development and tourism project.

To secure the recovery of the principal amount of the New Zhonghong Advance and to reduce the risk of impairment loss, on 13 September 2018, the Group had filed an application for arbitration proceedings at the Shenzhen Court of International Arbitration (the "**SCIA**") against the Zhonghong Borrower and the relevant guarantors for the breach of the aforesaid supplemental agreements and guarantee agreement. On 18 September 2018, the Group received the notice of acceptance for arbitration proceedings issued by the SCIA. In January 2019, hearing of the arbitration proceedings was conducted. At the end of April 2019, the Group received the arbitral awards（裁決書）(the "**Arbitral Awards**") dated 25 April 2019 given by the SCIA in respect of the aforesaid arbitration proceedings. Further details of the Zhonghong Advance in relation to the provision of financial assistance and the abovesaid developments on the arbitrations were set out in the Company's announcements dated 13 February 2018, 19 March 2018, 25 May 2018, 6 September 2018, 20 September 2018 and 3 May 2019 respectively.

As at the date of this announcement, the disposal of the Sea Area Use Certificate（海域使用權證書）via public auction approved by the Hainan Province Haikou Intermediate People's Court (the "**Hainan Court**")（海南省海口市中級人民法院）, together with the relevant properties held by the guarantors of Zhonghong Borrower as pledged securities of the New Zhonghong Advance which had been held by the Group had not yet been initiated. The Group will continue to consult its PRC legal advisors for exploring whether further legal actions could be made against Zhonghong Borrower and the relevant guarantors. Further announcement(s) regarding any significant developments on the above arbitrations will be published as and when appropriate.

Meanwhile, in order to increase the recoverability of the New Zhonghong Advance, the Group had been exploring potential well-known buyers or property developers during the past two years to set up a restructuring arrangement between Zhonghong Borrower and the existing creditors of Zhonghong Borrower.

Pursuant to the Arbitral Awards, the Group could apply to the Hainan Court to dispose by way of auction the relevant guarantor's assets. However, the recovering process of the New Zhonghong Advance would involve restructuring discussion with other major creditors of the Zhonghong Borrower. In the opinion of the management of the Group, the outstanding amount of the New Zhonghong Advance would likely to be recovered within three to four years. Although the restructuring plan would be complicated and time consuming, however, having considered the existing market values of the collaterals, no further impairment loss was provided during the Year for the New Zhonghong Advance in the opinion of the management of the Group according to the HKFRS 9 (2023: HK$Nil). The carrying amount of the amount due from the Zhonghong Borrower (after deducting the accumulated impairment loss of HK$261.63 million) as at 31 December 2024 was approximately HK$199.80 million (31 December 2023: HK$205.53 million).

As at the date of this announcement, the New Zhonghong Advance has been pledged as security for a long-term borrowing of approximately HK$675.90 million of the Group.

(c) China Gem Jiangsu Advance

The Group entered into a loan agreement dated 19 October 2017 with China Gem Enterprise Development (Jiangsu) Limited*（中石企業發展（江蘇）有限公司）(the "**China Gem Jiangsu Borrower**") for the provision of a loan of RMB100.00 million (the "**China Gem Jiangsu Advance**") with the interest rate of 9% per annum and extra undertaking of interest of 9% per annum of the principal amount. The collaterals of the loan were 493,160,000 shares of China Gem Holdings Limited ("**China Gem**"), whose shares are listed on the Main Board of the Stock Exchange (HKSE Stock Code: 1191) (the "**China Gem Shares**") and approximately HK$150.00 million equity interests in a fund owned by a related company of China Gem Jiangsu Borrower. The transaction of the China Gem Jiangsu Advance did not constitute a disclosable transaction under Chapter 14 of the Listing Rules as all the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the transaction were less than 5% as at the date of the loan agreement.

On 28 August 2019, the Group and China Gem Jiangsu Borrower entered into a supplemental agreement to lower the interest rate to 12% per annum and extended the expiry date of the loan to 30 June 2020 after having obtained additional China Gem Shares, pre-sale agreements in properties in the PRC and interest in a fund held by China Gem Jiangsu Borrower as further securities.

Since the financial performance and the status of business operations of China Gem Jiangsu Borrower as at 31 December 2024 were worse than before, no settlement had been received during the Year. In addition, the market value of the collaterals of the loan had been declining enormously as the China Gem Shares on the Stock Exchange had been suspended trading since 30 August 2021 and with effect on 5 May 2023, the listing of shares of China Gem was canceled. The carrying amount due from China Gem Jiangsu Borrower as at 31 December 2024 (after deducting the accumulated impairment loss of HK$105.23 million) was HK$48.84 million (31 December 2023: HK$Nil).

DEBT INVESTMENTS

(a) Description of the Business Model

The Company engages in debt investments of (a) the provision of financial assistance (the "**Financial Assistance**") and (b) business in the asset and shareholding restructuring business of the Group (the "**Asset and Shareholding Restructuring Business**") (collectively, the "**Debt Investments**") during the Year.

The Financial Assistance is a kind of business activities in the treasury investments segment. The investment management team has been continuing to make effective use of its available financial resources in monitoring and making investment/disposal on a wide variety of financial assets including investments in listed equity securities, investment in fund and the Financial Assistance to independent third parties. For details of the Financial Assistance, please also refer to the paragraphs headed "**PROVISION OF FINANCIAL ASSISTANCE**" above on pages 24 to 28 in this announcement.

Save as discussed above, the Group did not hold any licenses in relation to the Debt Investments during the Year and as at the date of this announcement. The Group did not target on a specific group of customers. The customers of the Group, as at the date of this announcement, were mainly the Group's business partners or companies referred by the former and existing substantial shareholders and/or former executive Directors of the Company.

Since 1 January 2021 and up to the publication date of this announcement, the Group has not granted any new transaction of the Debt Investments.

(b) Number of borrowers of the Debt Investments

As at 31 December 2024, the Group had 16 borrowers of the Debt Investments (31 December 2023: 16 borrowers). The total carrying amount of the loan receivables and note receivables (after deducting the impairments and write-offs for the Year) was HK$516.04 million (31 December 2023: HK$630.14 million) whereas 11 borrowers were related to the Financial Assistance and 4 borrowers were related to the Asset and Shareholding Restructuring Business.

(c) Breakdown of loan receivables and note receivables of the Debt Investments by categories

	31 December 2024			31 December 2023								
	Gross amount *HK$'000*	**Impairments** *HK$'000*	**Net amount** *HK$'000*	**Net amount** *HK$'000*	**Principal amount** *HK$'000*	**Interest rate**	**Grant date**	**Duration Year(s)**	**Terms**	**Extension granted**	**Overdue Year(s)**	**Type of Security**
Secured Loan receivables												
(I) the Financial Assistance												
Borrower A	269,005	(149,999)	119,006	192,050	240,000	18%	23-Mar-2017	7.8	Expiry on 23 March 2019 with one year extension option (24 September 2020)	N/A	6.8	55% Equity interest of Borrower A
Borrower B	151,009	(103,139)	47,870	–	120,000	12%	19-Oct-2017	7.2	18 October 2018 and then extended to 30 June 2020	N/A	4.5	Hong Kong listed shares
Borrower C	–[a]	–	–	–	50,000	5.0%	19-Dec-2018	5.5	18 June 2020 and 6 months extension option (17 December 2020)	Extended to 19 December 2020, 31 December 2021 and 31 December 2022	1.5	Hong Kong listed shares
Borrower D	18,933	(12,931)	6,002	9,466	25,000	5.0%	18-Aug-2020	4.4	31 December 2021 and 1 year extension option (31 December 2022)	N/A	2.0	Hong Kong listed shares
Borrower E	49,729	(33,965)	15,764	19,892	35,000	12.0%	29-Mar-2018	6.8	29 June 2018	Extended to 31 December 2018, 31 December 2019 and 31 December 2021	3.0	Corporate guarantee
Borrower F	109,437	(73,993)	35,444	53,532	84,000	12.0%	09-Jan-2019	6.0	30 June 2019 and 18 months extension option (31 December 2020)	Extended to 31 December 2021	3.0	Corporate guarantee and personal guarantee from director of the Borrower F
Borrower G	68,260	(46,622)	21,638	34,130	60,000	5.0%	23-Jan-2019	5.9	23 April 2019	Extended to 23 October 2019, 23 October 2020, 23 October 2021 and 31 December 2022	2.0	Personal guarantee from director of the Borrower G
Borrower H	69,077	(47,179)	21,898	34,538	69,600	5.0%	28-Jan-2019	5.9	27 April 2019	Extended to 24 July 2019, 24 October 2019, 31 December 2021 and 31 December 2022	2.0	Corporate guarantee
Borrower I	41,773	(29,304)	12,469	20,886	40,000	10.0%	13-Sep-2019	5.4	18 November 2019 and 3 months extension option (17 February 2020)	Extended to 31 December 2020, 31 December 2021 and 31 December 2022	2.0	Personal guarantee from director of the Borrower I
Borrower J	39,370	(27,032)	12,338	19,685	60,000	8.5%	29-Apr-2020	4.7	28 April 2021	Extended to 31 December 2021 and 31 December 2022	2.0	Personal guarantee from director of the Borrower J
Borrower K	44,863	(30,450)	14,413	22,431	48,000	8.5%	28-May-2020	4.6	27 May 2021	Extended to 31 December 2021 and 31 December 2022	2.0	Personal guarantee from director of the Borrower K
Borrower L	26,038	(17,615)	8,423	13,019	21,000	10.0%	25-Aug-2020	4.4	31 December 2021 and 1 year extension option (31 December 2022)	N/A	2.0	Personal guarantee from director of the Borrower L
			315,265	424,603								

	31 December 2024 Gross amount HK$'000	Impairments HK$'000	Net amount HK$'000	31 December 2023 Net amount HK$'000	Principal amount HK$'000	Interest rate	Grant date	Duration Year(s)	Terms	Extension granted	Overdue Year(s)	Type of Security
(II) the Asset and Shareholding Restructuring Business												
Borrower M	274,592	(153,115)	121,477	106,269	240,000	10%	25-Jan-2018	6.9	24 February 2018 and 30 days extension option (24 March 2018)	Extended to 8 August 2018	6.4	Right of the Sea Area Use Certificate
Borrower N	123,567	(68,902)	54,665	69,281	108,000	10%	26-Jan-2018	6.9	25 February 2018 and 30 days extension option (25 March 2018)	Extended to 8 August 2018	6.4	Right of the Sea Area Use Certificate
Borrower O1	17,132	(9,553)	7,579	9,605	15,000	10%	23-Feb-2018	6.9	25 February 2018 and 30 days extension option (24 March 2018)	Extended to 8 August 2018	6.4	Right of the Sea Area Use Certificate
Borrower O2	36,345	(20,265)	16,079	20,378	33,000	10%	04-Apr-2018	6.7	2 June 2018 and 60 days extension option (1 August 2018)	Extended to 8 August 2018	6.4	Right of the Sea Area Use Certificate
Borrower P	3,060	(2,090)	970	–	3,000	3.0%	07-Apr-2020	4.7	6 July 2020 and 3 months extension option (5 October 2020)	Extended to 31 December 2020	4.0	Contractual interest of properties
			20,770	205,532								
			516,035	630,135								

Note (a): The loan from Borrower C was settled in 2022.

(d) Aging analysis of loan receivables and note receivables of the Debt Investments

	31 December 2024 Number of borrowers	**31 December 2024** HK$'000	31 December 2023 Number of borrowers	31 December 2023 HK$'000
0-1 year past due	0	–	8	154,156
1-3 years past due	9	148,390	3	78,396
Over 3 years past due	6	367,645	5	397,583
	15	516,035	16	630,135

(e) Top five largest borrowers of the Debt Investments

The total loan receivables of the Group as at 31 December 2024 and 31 December 2023 were HK$516.04 million and HK$630.14 million respectively. The carrying amount of loan receivables due from the top five borrowers together with the percentage to the total loan receivables of the Group are set out below:

	As at 31 December 2024		As at 31 December 2023	
Borrower	**HK$'000**	**% to total loan receivables**	HK$'000	% to total loan receivables
The Zhanjiang Borrower	119,006	23.06%	192,050	30.48%
The Zhonghong Borrower	121,477	23.54%	106,269	16.86%
The Weifang Borrower	54,665	10.59%	69,281	10.99%
Shenzhen Zehua International Trade Co., Ltd.* (the "**Zehua Borrower**")	35,444	6.87%	53,532	8.50%
Great River Capital Limited	21,898	4.24%	34,538	5.48%

(f) Discussion on movements of impairments or write-offs of loan receivables and note receivables of the Debt Investments and the basis of impairment assessments

Taking into account of the following factors, the Company recognised the impairment induced on loan receivables and note receivables of the Debt Investments, including but not limited to (a) delay in settlement of the amounts of loan interest or principal by the borrowers; (b) legal actions and proceedings being taken by the Company against the borrowers; (c) decrease in value of the collaterals on pledged assets of loan receivables and note receivables due to declining global economy and equity market in general; (d) the decrease in demand for the properties development industry in PRC; and (e) the borrowers' increasing difficulty in business operation and/or facing litigation or liquidation process.

During the Year, an impairment loss of approximately HK$272.40 million was recognised (2023: impairment loss of HK$216.74 million), of which (i) approximately HK$18.47 million was related to the Financial Assistance (the "**Impairment of Financial Assistance**"); and (ii) approximately HK$253.93 million was related to the Subscriptions in Funds (the "**Impairment of Subscriptions in Funds**").

The main reason for the Impairment of Subscriptions in Funds was caused by overdue repayment of borrowings during the Year. Notwithstanding that the borrowing was secured by the collaterals (the CRTG Bonds) provided by the Strait Borrower, (i) the borrower is principally engaged in expressway, petroleum and timber-related businesses in the PRC. However, the borrower's property and infrastructure sector in the PRC had been thrust into a severe debt crisis over the past two years; (ii) the borrower's failure in repaying the loan on its maturity date to the Offshore Private Fund invested and managed by the Group; (iii) the borrower was in process of winding up petitioned by the Court of First Instance of the High Court Hong Kong; and (iv) the borrower's failure in publishing its annual results for the year ended 31 March 2023 and was suspended from trading its securities on the Stock Exchange since 3 July 2023.

(g) Business Prospect for the Debt Investments

The Group acknowledged that the downturn of economic might continue to hinder the repayment of the debts by the borrowers of the loans and issuers of the bonds to the Group in the coming years, resulting in additional provision for impairment loss on the loan receivables and note receivables and material impact on the financial results of the Group. The Group will closely monitor the day-to-day operations and management of its principal businesses to reduce the adverse impacts on the Group's operations and financial performance. Considering the provision for impairment losses on the Group's business of financial assistance and asset and shareholding restructuring, the Group would endeavour to recover the investment loss from the aforesaid business in the next three years and would gradually cease for engaging significant amounts in the transactions of the Financial Assistance, the Asset and Shareholding Restructuring Business and Subscriptions in Funds.

In the opinion of the Board and the management of the Company, the Group was reforming its business of the treasury investments and financial services to make effective use of its available financial resources. The Company intended to gradually transform its business from debt investment into the portfolio investment and equity investment for gaining the short-term return. Once the funds from the Debt Investments had been collected by way of conducting the debt restructuring, the Company intended to obtain the money lender license in Hong Kong for further improving the treasury investments segment and the financial services segment of the Company in future.

INTERNAL CONTROL SYSTEMS IN CONNECTION WITH DEBT INVESTMENTS

(a) Credit Approval Processes

For the purpose of dealing with loan receivables and note receivables due from borrowers under the Company's Debt Investments, the credit risk management is used to identify potential recoverability issues. It is the Group's "Long-term Equity Investment Business Management Policy" adopted on 10 May 2023 that all potential borrowers who wish to obtain financial assistance from the Group will be initially reviewed by the Company's investment management team. In determining the potential loan size and credit limits, the investment manager of the investment management team will prepare a report that summarises all material information including but not limited to the background of the borrowers, credit search report, litigation search report, the assessment on the collateral items provided and occasionally by utilizing search engines in the internet, and other publicly available information for each case. The Board will then review the report on a case-by-case basis, consider those factors that are specific to each borrower or to make adjustments on the size, duration and interest rate of the loans prior to granting the loans. These specific factors may include the background information and financial strength of the borrowers, the duration of the lending year and the presence and sufficiency of corporate security interests and/or guarantees for each case which would be considered as the most important parameters by the Board.

(b) Credit Risk Assessment

The Group has been engaging the Financial Assistance, shareholdings restructuring services and the Subscriptions in Funds for the corporate customers (i.e. non-individual customers) in Hong Kong and China without any specific targeted industry.

Prior to the Debt Investments or making other investments, the management or the investment management team of the Group will conduct due diligence on the potential customers. The due diligence procedures included conducting research on the customers' background, evaluating its current business operations and financial conditions, market reputation and creditability, and conducting financial analysis and recoverability analysis. To minimise credit or investment risks, the Group will typically require guarantees, including personal guarantees and corporate guarantees, and/or collaterals with expected realised value exceeding the principal amount of the loan or investment. Furthermore, for the existing customers, the Group will evaluate its past business relationships with them and their track records as factors to extend loan duration or otherwise continue to maintain business relationship.

During the subsistence of the Debt Investments or the other investment, the Group has implemented various on-going monitoring and risk management procedures which include conducting regular visits and interviews with the customers, requesting the customers to furnish periodic financial information, conducting public searches and obtaining information on any legal disputes, negative news and media reports on the business or affairs of the customers to understand its latest business development and management condition, in order to conduct continuous assessment on the customers' repayment ability.

(c) Mechanism in Determining Loan Term

The Group generally provides short-term loans with a repayment term of less than three years which carry higher interest rate than the market rate generally charged by financial institutions. The repayment terms and conditions are determined from the factors including the liquidity needs of the customers and the Group's funding and cash flows management strategies. The Group will also make reference to the terms and conditions of loan arrangements provided by the financial institutions in China and Hong Kong to companies in the same industry of the customers to ensure that the loan or investment agreements between the Group and its customers are on normal commercial terms and are fair and reasonable and beneficial to the Shareholders.

(d) Monitoring Loan Repayment and Recovery

The management of the Group will regularly communicate with and monitor and manage the recoverability of debts and conditions of the customers. If a customer fails to repay the loan or interest on time or fails to comply with material term of the investment agreement on payment or settlement of investment return, the management of the Group will initially take steps to understand the reasons for its default (for instance, whether the customer's business had experienced any operational difficulties, any other major debt cross-defaults, any winding-up petitions filed against the customer, etc.) and will take appropriate steps in light of the situation and urgency of the matter. Generally, the following procedures for debt recovery will be taken:

Stage 1: Assess the possibility for the customer to repay the loan or receivables within one year for the purpose of determining whether a time extension for such repayment will be granted or business relationship be otherwise maintained.

Stage 2: Assess the possibility of realising the collaterals provided and methods for disposal to recoup the loss.

Stage 3: Engage its legal adviser to commence necessary legal actions against the customer and/or the guarantor(s) including the obtaining of court or arbitrary order for seizure, private sale or public auction of assets of the borrowers.

(e) Impairment Loss and Write-off Treatment

In general, where the management of the Group has noticed the following circumstances, there may be possible default in the loans or receivables concerned and provision for impairment loss under the ECL model (as defined below) may be necessary:

(i) the customers experienced operational difficulties;

(ii) worsened macroeconomic and industry conditions, leading to further deterioration of the financial conditions of the customers; or

(iii) the customers have been involved in lawsuits for debt collection.

The Group uses "**expected credit losses (the "ECL") model**" as an impairment model according to HKFRS 9 which requires the Group to estimate the weighted possibility of default events and recognise ECLs for trade and other receivables and other financial assets at amortised cost accordingly.

Under HKFRS 9, the loss allowances are measured on either of the following bases: (1) 12-month ECLs that result from possible default events within the 12 months after the reporting date; and (2) life-time ECLs that result from all possible default events over the expected life-time of a financial instrument.

The Group considers a financial asset to be in default when: (1) the borrower is unlikely to fulfill its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

For financial assets at amortised cost of investment segments (i.e. trade and other receivables, loan and note receivables and loans to associates), the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the life-time ECLs. For determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group would consider reasonable and supporting information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group has considered the probability of default and the loss given default with reference to (i) the value of collaterals/other contractual arrangements, (ii) financial ability of the debtors; and (iii) other forward-looking factors, if any. Time value of money is also considered if the receivable is expected to be received more than one year after the reporting date.

FOREIGN EXCHANGE EXPOSURE

Provision of financial assistance and debt investments are mainly denominated in HK dollars and RMB. As such, the Group had incurred a net exchange gain of approximately HK$2.38 million for the Year (2023: a net exchange loss of HK$11.53 million) due to the depreciation of US dollars and RMB.

As at 31 December 2024, the Group had not entered into any financial instruments for hedging purpose. Nevertheless, the Board will continue to monitor the foreign exchange exposure in the future and will consider hedging such exposure to minimise exchange risk should the need arise.

RISK AND UNCERTAINTIES

(a) Macroeconomic Risk

The Group is operating in a highly competitive business and economic environment. The manufacturing segment, in particular, is in a turmoil which is being greatly affected by the Sino-US trade war, Ukraine war, the increasing tension in the Taiwan straits, complications caused by the COVID-19 pandemic and its highly volatile customers, combined with the rising labour and production costs. The Group's manufacturing segment has to compete with its competitors on various factors, such as product variety, product performance, customer service, quality, pricing, new product innovation, timely delivery and brand recognition.

On the other hand, volatility in the Hong Kong securities market may affect the Group's performance on listed securities investments resulting in fluctuations in unrealised fair value gains or losses. An interest rate hike is likely and will not only affect the Group's cost of borrowings, but also costs of purchase of materials.

(b) Credit Risk

The Group has policies in place to ensure that sales are made and services are provided to customers with an appropriate credit history. The Group mainly trades with recognised and creditworthy third parties. It is the Group's policy that credit terms are granted subject to in-depth credit verification procedures. In addition, trade receivable balances are monitored on an ongoing basis and trade receivable balances of manufacturing segment are substantially covered by credit insurance. In this regard, the management considers that the Group's credit risk under the manufacturing segment is minimal. Since the Group mainly trades with recognised and creditworthy third parties, there is no requirement for collaterals.

In respect of loans to associates, loan receivables and note receivables, the Group assesses the background and financial conditions of the debtors, and requests securities pledged from the debtors and/or guarantee as collaterals from the debtors' related parties in order to minimise credit risk.

The Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure to perform an obligation by the counterparties arising from the carrying amount of the respective recognised financial assets, was stated in the consolidated statement of financial position of the Group as at 31 December 2024.

(c) Foreign Currency Risk

To manage the foreign currency risk effectively, the Company closely monitors foreign exchange markets and utilises multiple strategic approaches, such as optimising cash management strategy and deploying project finance instruments, to control foreign exchange risk.

NUMBER AND REMUNERATION OF EMPLOYEES

As at 31 December 2024, excluding those employed by the Company's associates, the Group had 13 employees (31 December 2023: 12 employees). For the Year, our total staff costs amounted to approximately HK$8.20 million (2023: HK$7.84 million).

Under the Group's remuneration policy, employees (including the directors and senior management of the Group) are rewarded in line with market rate and in compliance with statutory requirements of all jurisdictions where it operates. Employees are also granted discretionary bonus subject to the individual's performance and business results of the Group.

The Group follows a policy of encouraging its subsidiaries to send their staff to attend training classes or seminars that are related directly or indirectly to the Group's businesses.

DETAILS OF CHARGES ON GROUP ASSETS

Details of charges on the Group's assets for the Year are set out in the paragraph headed "**Significant Investments**" and "**Provision of Financial Assistance**" under the section headed "**Management Discussion and Analysis**" of this announcement on pages 20 and 28 respectively.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2024, the Group had capital commitments for acquisition of property, plant and equipment of approximately HK$Nil (31 December 2023: HK$37,356) and had no material contingent liabilities (31 December 2023: HK$Nil).

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

References are made to (i) the Company's announcement dated 28 June 2022 in relation to the HK Demand Letter and the PRC Demand Letter; (ii) the Company's announcement dated 8 July 2022 in relation to the Second HK Demand Letter and the Second PRC Demand Letter; (iii) the Company's announcement dated 20 July 2022 in relation to the progress of negotiation with the Lender in connection with the repayment of the Outstanding Sum; (iv) the Company's announcement dated 29 July 2022 in relation to the engagement of legal advisers to negotiate with the Lender and/or to prepare or review documentation on any settlement in connection with the repayment of the Outstanding Sum; (v) the Company's announcement dated 12 August 2022 in relation to the Third HK Demand Letter; (vi) the Company's announcement dated 21 June 2024 in relation to the Fourth HK Demand Letter; (vii) the Company's announcement dated 19 July 2024 in relation to the Fifth HK Demand Letter; (viii) the Company's announcement dated 8 November 2024 in relation to the Sixth HK Demand Letter and the 30 October 2024 PRC Demand Letter; (ix) the Company's announcement dated 27 January 2025 in relation to formation of a special investigation committee; (x) the Company's announcement dated 18 February 2025 in relation to the change in composition of the special investigation committee; and (xi) the Company's announcement dated 25 February 2025 in relation to the Purported Disposal (collectively, the "**R13.09 and 13.19 Announcements**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the R13.09 and 13.19 Announcements.

Further to the HK Demand Letter, the PRC Demand Letter, the Second HK Demand Letter, the Second PRC Demand Letter, the Third HK Demand Letter, the Fourth HK Demand Letter, the Fifth HK Demand Letter, the Sixth HK Demand Letter and the 30 October 2024 PRC Demand Letter, on 17 January 2025, the Board was informed of a letter dated 6 January 2025 (the "**Seventh HK Demand Letter**") issued by the legal adviser of the Lender and served on the Company, which stated that:

(i) on 16 December 2024, the Lender has purportedly exercised its rights under the share charge entered into between TPC PC1 LTD ("**PC1**"), an indirect wholly owned subsidiary of the Company, and the Lender in relation to the entire issued share capital of TPC PC2 LTD ("**PC2**"), a wholly owned subsidiary of PC1, which was one of the securities created in respect of the Loan as disclosed in the announcement of the Company dated 19 July 2024, and had disposed of the charged shares constituting the entire issued share capital of PC2 to an independent third party at the consideration of HK$28,000,000, and had applied the said sum to set off against part of the unpaid interest payable by the Borrower to the Lender in the amount of RMB26,216,000 (the "**Purported Disposal**"); and

(ii) after such set-off, the Borrower was still indebted to the Lender for the aggregate amount of RMB258,307,333 (the "**Purported Outstanding Sum**"), comprising the principal amount of the Loan in the amount of RMB170,000,000 and the unpaid interest payments in the amount of RMB88,307,333 (up to and inclusive of 31 December 2024).

Impact on the Company

The Company does not have any information about the Purported Disposal save as stated in the Seventh HK Demand Letter. As a result of the Purported Disposal, the Company cannot access the books and records and has potentially lost its major operating subsidiaries which are all held through PC2, which will have material adverse impact on the financial performance of the Company. As such, the Company has engaged legal adviser to (a) advice on the matter concerning the Loan and Guarantee, and in particular, the effectiveness of the Purported Disposal and the details mentioned in the Seventh HK Demand Letter; and (b) liaise the relevant parties and their legal representatives for more information on the Purported Disposal to understand the actual situation, to clarify and dispute on the amount of the Purported Outstanding Sum where necessary, and to take any necessary action to dispute the Purported Disposal as and when advisable.

Further, as announced by the Company on 27 January 2025, the Company has formed the Special Investigation Committee with effect from 24 January 2025 to carry out the Investigation on the Loan and the circumstances under which the Borrower was authorised to enter and in fact entered into the Loan Agreement and give the collaterals and guarantees hereunder in favour of the Lender. The scope of the Investigation to be conducted by the Special Investigation Committee includes (a) the background and authenticity of the Loan facility of RMB170,000,000 advanced by Shenzhen Huarongde Trading Co., Ltd.（深圳市華榕德貿易有限公司）as the Lender to Shaoguan HKBridge Enterprise Management Consulting Service Co., Ltd.（韶關港橋企業管理諮詢服務有限公司）as the Borrower pursuant to the Loan Agreement and its collaterals and guarantees; (b) the responsibility and role of the Directors who approved the Loan; and (c) the authenticity and legality of the Purported Disposal.

As at the date of this announcement, the Special Investigation Committee has instructed the legal adviser of the Company to request for the relevant information and documents in respect of the Loan Agreement and its collaterals and guarantees and the Purported Disposal from the Lender and will set down its investigation itinerary and determine the next step to be taken based on a review of the documents received. Further announcement(s) will be made by the Company in compliance with the Listing Rules as and when appropriate or required. For further details, please refer to the R13.09 and 13.19 Announcements.

FORMATION OF A SPECIAL INVESTIGATION COMMITTEE

In order to investigate, among others, the Purported Disposal, as announced by the Company on 27 January 2025, the Company has formed the Special Investigation Committee with effect from 24 January 2025 to carry out the Investigation on the Loan and the circumstances under which the Borrower was authorised to enter and in fact entered into the Loan Agreement and give the collaterals and guarantees hereunder in favour of the Lender. The scope of the Investigation to be conducted by the Special Investigation Committee includes (a) the background and authenticity of the Loan facility of RMB170,000,000 advanced by Shenzhen Huarongde Trading Co., Ltd.（深圳市華榕德貿易有限公司）as the Lender to Shaoguan HKBridge Enterprise Management Consulting Service Co., Ltd.（韶關港橋企業管理諮詢服務有限公司）as the Borrower pursuant to the Loan Agreement and its collaterals and guarantees; (b) the responsibility and role of the Directors who approved the Loan; and (c) the authenticity and legality of the Purported Disposal.

UPDATE ON AUDIT QUALIFICATIONS

References are made to the Company's announcements dated 18 January 2023, 30 March 2023 and 9 May 2023, the Company's 2022 Annual Report published on 28 April 2023 and the Company's 2023 Interim Report. The update on the Audit Qualifications is set out below:

(a) Receivables

Since the publication of 2022 audited annual results, the Group had endeavored to maximise the recovery of the relevant financial assistance by debt restructuring or conducting lawsuits against several debtors.

As at the date of this announcement, the Audit Qualifications on the Receivables is eliminated for the year ending 31 December 2024 as sufficient and appropriate audit evidence being provided to the Auditor.

(b) Other Payables

Since the Other Payables was incurred in the subsidiary of the Purported Disposal, which has been deconsolidated from the Group's consolidated financial statements with effect from 16 December 2024.

(c) Income Tax Payables

Reference was made to the Company's announcement dated 12 June 2024, disposal of the entire equity interest in the target company, those subsidiaries with income tax payables have been sold in the disposal transaction. As at the date of this announcement, the management has been provided sufficient and appropriate audit evidence to the Auditor, the Audit Qualifications on the income tax payables is eliminated for the year ended 31 December 2024.

(d) The Audit Committee and the Board's View on the Audit Qualifications

The Audit Committee had reviewed and agreed with the Audit Qualifications and did not have any disagreement with the Board's view in respect of the effectiveness of the plan to resolve the Audit Qualifications. The Audit Committee had held several meetings with the Auditor to discuss the Audit Qualifications during the year of 2024 and up to the publication date of this announcement. It expressed their agreement with the management of the Company about their opinion, view and assessment.

PROSPECTS

Since the beginning of 2025, the Group has actively diversified into new business sectors to mitigate losses and improve operational efficiency. A joint venture, Chongqing Pengxiang Shuhang Technology Co., Ltd., established by the wholly-owned subsidiary Yixiang Technology (Hong Kong) Limited and Shanghai Donggu Intelligent Technology Co., Ltd., focuses on developing, producing, and selling unmanned aerial vehicles. Their products include heavy-duty, long-endurance, hybrid oil-electric drones and unmanned ground vehicles, serving applications such as precision agriculture, emergency response, material delivery, and smart city inspections. Collaborative efforts with research institutes like Chongqing University of Posts and Telecommunications, Chongqing University, and the China Automotive Engineering Research Institute aim to address low-altitude management in urban areas and foster industry-academia partnerships.

The Group remains committed to risk management, sustainable returns, and exploring new opportunities in asset management despite uncertain financial markets. Strategic upgrades prioritize diversification and resource optimization. Negotiations with Shanghai Gaozhi Industrial Development Co., Ltd. seek to enhance the agricultural drone pesticide industry, covering agriculture technology and pest control services, from production to application. The ultimate goal is to establish a globally distributed technology and digital agriculture development conglomerate.

Continuously exploring opportunities within its business scope, the Group will embark on new investments and business developments, including but not limited to widespread applications of artificial intelligence technology in data elements, the construction of smart cities, and intelligent unmanned equipment.

IMPORTANT EVENTS AFFECTING THE GROUP AFTER THE YEAR

Save as disclosed above, there is no important event occurred subsequent to 31 December 2024 which would materially affect the Group's operating and financial performance as at the date of this announcement.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 18 June 2025 to Monday, 23 June 2025, both days inclusive. In order to qualify for the attendance of the forthcoming annual general meeting of the Company to be held on Monday, 23 June 2025, share transfer forms accompanied by relevant share certificates must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tricor Tengis Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Tuesday, 17 June 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE CODE (THE "CG CODE")

The Directors confirm that, during the Year, the Company acted in compliance with the code provisions set out in the CG Code contained in Part 2 of Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company has adopted its own code of conduct (the "**Own Dealing Code**") regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code in Appendix C3 to the Listing Rules.

The Company, having made specific enquiries, confirms that each member of the Board complied with the Own Dealing Code throughout the Year. Members of the Company's management, who, due to their positions in the Company, are likely to be in possession of inside information, also complied with the provisions of the Own Dealing Code.

The Own Dealing Code has been uploaded to the Company's website.

CHANGES IN THE COMPOSITION OF THE BOARD AND BOARD COMMITTEES

With effect from 2 September 2024, Mr. Liu Chuan has been appointed as an executive Director and the chairman of the executive committee of the Board.

Further details of the above were set out in the Company's announcement dated 2 September 2024.

With effect from 1 April 2025, Mr. Cheok Ho Fung has ceased his directorship as an executive Director.

Further details of the above were set out in the Company's announcement dated 3 April 2025.

AUDIT COMMITTEE

The Audit Committee has reviewed the audited consolidated annual results and financial statements of the Group for the Year, including the significant accounting principles and practices adopted by the Group.

AUDITOR

A resolution for the re-appointment of Infinity Limited, the retiring Auditor, and being eligible, who will offer themselves for re-appointment, together with the authorisation to the Board for fixing the Auditor's remuneration, would be proposed for the consideration by the Shareholders, and if thought fit, for approval at the Company's forthcoming annual general meeting.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report from Infinity CPA Limited, the external auditor of the Company, on the Group's consolidated financial statements for the year ended 31 December 2024:

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Renco Holdings Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages [•] to [•], which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

(i) Limitation of scope – incomplete books and records of deconsolidation of subsidiaries

As disclosed in note to the consolidated financial statements, the Group had entered into a loan agreement with a lender (the "**Lender**") for a loan of RMB170,000,000 and had given collaterals and guarantees thereunder in favour of the Lender (the "**Loan Agreement**").

One of the collateral arrangements involved the pledge of the entire issued share capital of TPC PC2 LTD ("**PC2**"), then a wholly owned subsidiary of the Group (the "**Share Charge**"). On 16 December 2024, the Lender purportedly exercised its rights under the Share Charge and disposed of the charged shares to a buyer, purportedly an independent third party of the Group. As a result, the entire issued share capital of PC2 was transferred to the third party buyer, purportedly at the consideration of HK$28,000,000, and the proceeds from the disposal of the charged shares were applied to offset part of the outstanding interest payable by the Group to the Lender in the amount of RMB26,216,000 (the "**Purported Disposal**").

PC2 is an investment holding company which held the Group's equity interests in the subsidiaries of the Group which are principally engaged in manufacturing and sales of printed circuit boards (the "**Manufacturing Segment**"). Following the Purported Disposal, the Company has lost control over this group of companies held through PC2 (collectively, "**PC2 Group**" or "**Deconsolidated Subsidiaries**") and could not access the accounting books and records of PC2 Group. The directors of the Company have determined that control over PC2 Group was lost as of 16 December 2024 and accordingly, the PC2 Group have been deconsolidated from the Group's consolidated financial statements with effect from 16 December 2024.

As disclosed in note to the consolidated financial statements, the deconsolidation of PC2 Group, which constituted the Manufacturing reportable segment of the Group, with effect from 16 December 2024 resulted in their revenue, income, expenses and cash flows for the year ended 31 December 2023 and the period from 1 January 2024 up to 16 December 2024 being classified and presented as results and cash flows from discontinued operations in the consolidated financial statements. The deconsolidation of PC2 Group with effect from 16 December 2024 also resulted in the recognition of a net gain on deconsolidation of subsidiaries of HK$408,017,000 included in the determination of the loss for the year ended 31 December 2024 from discontinued operation.

Due to the lack of access to the accounting books and records, management and other personnel of the PC2 Group, we were unable to perform the necessary audit procedures to satisfy ourselves whether (i) the revenue and expenses, and cash flows, of the PC2 Group for the period from 1 January 2024 to 16 December 2024 and year ended 31 December 2023 included in consolidated profit or loss and cash flows of the Group and presented as results and cash flows of the discontinued operations in Note 42; (ii) the other comprehensive income or loss of the PC2 Group for the period from 1 January 2024 to 16 December 2024 and year ended 31 December 2023 included in consolidated other comprehensive income of the Group and disclosed in Note 42; (iii) the assets and liabilities of the PC2 Group as at 16 December 2024 disclosed in Note 42 and included in the determination of the net gain/loss on deconsolidation of subsidiaries recognized in consolidated profit or loss for the year ended 31 December 2024; and (iv) the assets and liabilities of the PC2 Group as at 31 December 2023 disclosed in note and included in the consolidated statement of financial position of the Group as at 31 December 2023 were free from material misstatements.

Any adjustments in respect of the matters described above might have a consequential significant effect on the financial performance and cash flows and assets and liabilities of the PC2 Group for the period or year ended and as at 16 December 2024 and 31 December 2023 and the net gain on deconsolidation of subsidiaries recognized in consolidated profit or loss for the year ended 31 December 2024 and consequently on the amounts reported in respect of the Group's consolidated financial performance and consolidated cash flows for the years ended 31 December 2024 and 31 December 2023 and consolidated statement of financial position as at 31 December 2023, the related elements making up the consolidated statement of changes in equity and cash flows for the years ended 31 December 2024 and 2023, and the related disclosures thereof in the consolidated financial statements.

(ii) Limitation of scope – opening balances and comparative information

As disclosed in the "**Basis for Qualified Opinion**" section of the auditor's report of the auditor of the consolidated financial statements of the Group for the financial year ended 31 December 2023 (the "**Predecessor Auditors**"):

1. Loan to an associate, trade receivables, loan receivables, note receivables and other receivables (the "Receivables")

The Predecessor Auditors were unable to obtain sufficient appropriate audit evidence to satisfy themselves as to the recoverability of a loan to an associate, certain trade receivables, loan receivables, note receivables and certain other receivables of HK$50,812,000, HK$Nil, HK$630,135,000, HK$Nil and HK$52,104,000 respectively as at 31 December 2023 and whether the loss allowance provisions in respect to a loan to an associate, certain trade receivables, loan receivables, note receivables and certain other receivables of HK$Nil, HK$Nil, HK$142,500,000, HK$69,049,000 and HK$5,191,000 respectively for the year ended 31 December 2023 were appropriately recorded.

In the absence of the information in relation to the financial status of these issuers, customers and borrowers on assessing its ability for settling on these outstanding amounts to the Group, the management considered that there was uncertainty on recovering the abovementioned balances. The management has initiated actions including but not limited to legal action against certain abovementioned balances, however no result from actions was available up to the date of the audit report of the Predecessor Auditors for justifying the extent of the recoverability of the aforesaid balances. There were no other satisfactory audit procedures that the Predecessor Auditors could adopt to determine whether any allowance for non-recovery of the amount should be made in respect to a loan to an associate, certain trade receivables, loan receivables, note receivables and certain other receivables in the consolidated financial statements for the year ended 31 December 2023.

2. Other payables and accruals

Included in other payables and accruals in the consolidated statement of financial position as at 31 December 2023 was other payables and accruals of approximately HK$2,311,000 which was due to a party. Due to the limited accounting books and records available to the Predecessor Auditors, they were unable to obtain sufficient appropriate audit evidence to satisfy themselves as to the nature and obligation of other payables and accruals of approximately HK$2,311,000 as at 31 December 2023. There were no other satisfactory audit procedures that they could adopt to determine the nature and whether any written-back should be made in the consolidated financial statements for the year ended 31 December 2023.

3. Tax payable

Included in tax payable in the consolidated statement of financial position as at 31 December 2023 were approximately HK$266,790,000 which represented tax payables of certain subsidiaries. In the absence of final assessment from the relevant tax authority, the Predecessor Auditors were unable to obtain sufficient appropriate audit evidence to satisfy themselves as to the obligation of tax payables of approximately HK$266,790,000 as at 31 December 2023 and whether the income tax expense for the year ended 31 December 2023 was appropriately recorded.

The Predecessor Auditors stated that any adjustments to the figures described above might have a consequential effect on the Group financial performance and cash flows for the year ended 31 December 2023, the financial position of the Group as at 31 December 2023 and the related disclosure thereof in the consolidated financial statements.

Since opening balances of assets and liabilities of the Group as at 1 January 2024 enter into the determination of the financial performance and cash flows of the Group for the year ended 31 December 2024, we were unable to determine whether adjustments might have been necessary in respect of the possible effects of the above mentioned matters set out in the "**Basis for Qualified Opinion**" section of the Predecessor Auditors' report on the financial performance and cash flows of the Group for the year ended 31 December 2024 reported in the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows. Our opinion on the current year's consolidated financial statements is also disclaimed because of the possible effects of these matters on the comparability of the current year's figures and corresponding figures.

Material Uncertainty Related to Going Concern

We draw attention to note to the consolidated financial statements, which indicates that the Group incurred a consolidated net loss of approximately HK$23,331,000 during the year ended 31 December 2024 and as at 31 December 2024 the Group had net current liabilities and net liabilities of approximately HK$492,547,000 and HK$118,277,000 respectively. In addition, the Group had outstanding borrowings and interest payables of approximately HK$989,759,000 and HK$320,157,000, respectively, which would be due for repayment within the next twelve months, loan from a director of approximately HK$700,000 which are repayable on demand and bank balances and deposits of approximately HK$921,000.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern, our opinion is not modified in respect of this matter.

EXPLANATION OF DISCLAIMER OPINION

(I) Reasons for the Qualification

References are made to (i) the Company's announcement dated 28 June 2022 in relation to the HK Demand Letter and the PRC Demand Letter; (ii) the Company's announcement dated 8 July 2022 in relation to the Second HK Demand Letter and the Second PRC Demand Letter; (iii) the Company's announcement dated 20 July 2022 in relation to the progress of negotiation with the Lender in connection with the repayment of the Outstanding Sum; (iv) the Company's announcement dated 29 July 2022 in relation to the engagement of legal advisers to negotiate with the Lender and/or to prepare or review documentation on any settlement in connection with the repayment of the Outstanding Sum; (v) the Company's announcement dated 12 August 2022 in relation to the Third HK Demand Letter; (vi) the Company's announcement dated 21 June 2024 in relation to the Fourth HK Demand Letter; (vii) the Company's announcement dated 19 July 2024 in relation to the Fifth HK Demand Letter; (viii) the Company's announcement dated 8 November 2024 in relation to the Sixth HK Demand Letter and the 30 October 2024 PRC Demand Letter; (ix) the Company's announcement dated 27 January 2025 in relation to formation of a special investigation committee; (x) the Company's announcement dated 18 February 2025 in relation to the change in composition of the special investigation committee; and (xi) the Company's announcement dated 25 February 2025 in relation to the Purported Disposal.

One of the collateral arrangements involved the pledge of the entire issued share capital of TPC PC2 LTD ("PC2"), then a wholly owned subsidiary of the Group (the "Share Charge"). On 16 December 2024, the Lender purportedly exercised its rights under the Share Charge and disposed of the charged shares to a buyer, purportedly an independent third party of the Group. PC2 is an investment holding company which held the Group's equity interests in the subsidiaries of the Group which are principally engaged in manufacturing and sales of printed circuit boards (the "Manufacturing Segment"). Following the Purported Disposal, the Company has lost control over this group of companies held through PC2 (collectively, "PC2 Group" or "Deconsolidated Subsidiaries") and could not access the accounting books and records of PC2 Group. The directors of the Company have determined that control over PC2 Group was lost as of 16 December 2024 and accordingly, the PC2 Group have been deconsolidated from the Group's consolidated financial statements with effect from 16 December 2024.

(II) Management's View, Position and Assessment on the Qualification

In relation to the disclaimer opinion, the management believes that this is an isolated incident and has set up a Special Investigation Committee to investigate the incident.

(III) Audit Committee's View on the Qualification

The Audit Committee has reviewed and agreed to the Qualification and does not have any disagreement with the Board's view. The Audit Committee had held several meetings with the Auditor to discuss about the Qualification and expressed their agreement with the management of the Company about their position, view and assessment during the meetings as stated in the section headed "(c) Management's View, Position and Assessment on the Qualification" above.

(V) The Company's Action Plans to Address the Qualification

In order to lower the risk of purportedly disposal of Company's subsidiary or assets, the Group has reviewed the internal control system, approval procedure and mechanism of safeguard assets of the Group.

(VI) Expected Timetable to Remove of the Qualification

The management of the Company expects that the Qualification will be removed by next financial year of the Company (i.e. for the year ending 31 December 2025) after taking into account of the Company's action plan as stated in the section headed "(e) The Company's Action Plans to Address the Qualification" above.

SCOPE OF WORK OF INFINITY CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditors, Infinity CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Infinity CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion and assurance conclusion has been expressed by Infinity CPA Limited on the preliminary announcement.

PUBLICATION OF ANNUAL REPORT

This audited annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.renco.com.hk, respectively. The 2024 Annual Report, which contains all the information required by the Listing Rules, will be published on the above websites in due course.

APPRECIATION

On behalf of the Board, the Chairman would like to extend our gratitude and sincere appreciation to all senior management and staff members for their diligence and dedication, and also to our business partners and the Shareholders for their continuing support.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Monday, 20 January 2025 and will remain suspended pending the release of an announcement which contains inside information of the Company.

By order of the Board
Renco Holdings Group Limited
Leung Yiu Cho
Company Secretary

Hong Kong, 17 April 2025

As at the date of this announcement, the Board comprises Mr. Li Yongjun (chairman of the Board), Ms. Xing Mengwei and Mr. Liu Chuan being executive Directors; and Mr. Lau Fai Lawrence, Mr. Mak Kwok Kei and Mr. Xu Xinwei being independent non-executive Directors.