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PERFECT GROUP

保發集團

**PERFECT GROUP INTERNATIONAL HOLDINGS LIMITED**

**保發集團國際控股有限公司**

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

**(Stock Code: 3326)**

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

The board (the “**Board**”) of directors (the “**Director(s)**”) of Perfect Group International Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) hereby announces the unaudited condensed consolidated results of the Group for the six months ended 30 June 2025 together with comparative figures for the corresponding period in 2024 as follows:

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

*For the six months ended 30 June 2025*

		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	3	<b>146,197</b>	154,735
Cost of goods sold		<b>(104,300)</b>	(112,232)
Gross profit		<b>41,897</b>	42,503
Other income		<b>2,978</b>	2,965
Other gains and losses, net		<b>(10,724)</b>	2,784
Reversal of impairment losses under expected credit loss (“ <b>ECL</b> ”) model, net		<b>344</b>	11
Written down on properties held for sale		<b>(2,667)</b>	—
Selling and distribution costs		<b>(5,823)</b>	(7,120)
General and administrative expenses		<b>(19,248)</b>	(22,745)
Finance costs		<b>(805)</b>	(830)
Share of results of a joint venture		<b>21</b>	6
Profit before income tax	4	<b>5,973</b>	17,574
Income tax credit	5	<b>2,042</b>	7,667
Profit for the period		<b>8,015</b>	25,241

		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Other comprehensive income/(expense):			
Item that will not be reclassified to profit or loss:			
Equity instruments at fair value through other comprehensive income — change in fair value		<b>(159)</b>	<b>(92)</b>
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		<b>9,845</b>	<b>(10,151)</b>
Other comprehensive income/(expense) for the period		<b>9,686</b>	<b>(10,243)</b>
Total comprehensive income for the period		<b>17,701</b>	<b>14,998</b>
Profit for the period attributable to:			
Owners of the Company		<b>7,400</b>	<b>25,429</b>
Non-controlling interests		<b>615</b>	<b>(188)</b>
		<b>8,015</b>	<b>25,241</b>
Total comprehensive income attributable to:			
Owners of the Company		<b>16,796</b>	<b>15,345</b>
Non-controlling interests		<b>905</b>	<b>(347)</b>
		<b>17,701</b>	<b>14,998</b>
Earnings per share	7		
– Basic		<b>0.55 HK cents</b>	<b>1.90 HK cents</b>
– Diluted		<b>0.55 HK cents</b>	<b>1.90 HK cents</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		126,226	119,170
Prepayment for acquisition of property, plant and equipment		1,063	—
Right-of-use assets		14,797	16,242
Interest in a joint venture		264	236
Equity instruments at fair value through other comprehensive income		272	448
Deferred tax assets		416	1,369
		<u>143,038</u>	<u>137,465</u>
Current assets			
Inventories		106,822	122,669
Properties held for sale		300,994	299,154
Trade and other receivables	8	73,813	61,819
Financial assets at fair value through profit or loss		650	3,788
Restricted deposit		2,088	2,413
Bank deposits		105,870	112,899
Cash and cash equivalents		67,581	44,796
		<u>657,818</u>	<u>647,538</u>
Current liabilities			
Trade and other payables	9	50,073	45,636
Contract liabilities		1,075	5,129
Lease liabilities		3,143	3,035
Tax payables		56,767	57,432
Bank loans		32,831	31,901
Dividend payable		13,351	—
		<u>157,240</u>	<u>143,133</u>

		At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
	<i>Note</i>		
Net current assets		<u>500,578</u>	<u>504,405</u>
Total assets less current liabilities		<u>643,616</u>	<u>641,870</u>
Non-current liabilities			
Lease liabilities		5,184	6,746
Defined benefit plan obligations		1,072	1,072
Deferred tax liabilities		<u>13,711</u>	<u>14,534</u>
		<u>19,967</u>	<u>22,352</u>
Net assets		<u><u>623,649</u></u>	<u><u>619,518</u></u>
Equity			
Share capital	10	4,450	4,454
Reserves		<u>608,715</u>	<u>605,485</u>
Equity attributable to owners of the Company		613,165	609,939
Non-controlling interests		<u>10,484</u>	<u>9,579</u>
Total equity		<u><u>623,649</u></u>	<u><u>619,518</u></u>

*Notes:*

## 1. GENERAL INFORMATION OF THE GROUP

Perfect Group International Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 16 June 2015 and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 4 January 2016. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business of the Company is at 26/F, YHC Tower, 1 Sheung Yuet Road, Kowloon Bay, Hong Kong. The Company’s immediate and ultimate holding company is Immaculate Diamonds Limited, a company incorporated in the British Virgin Islands (the “**BVI**”).

The Company is an investment holding company. The principal activities of the subsidiaries of the Company are (a) designing, manufacturing and sales of high-end fine jewellery as well as metal refining and purifying process for jewellery (the “**Jewellery Business**”); (b) development and sales and rental of and provision of property management services for properties for the Group’s integrated and comprehensive industry park located at 1st Ring Road South Extension Foshan, Guangdong Province, the People’s Republic of China (the “**PRC**”) (the “**Property Business**”) as an integrated and comprehensive industry park; and (c) sales of electricity generated from the photovoltaic power generation system as well as energy storage business ( the “**Photovoltaic Power Generation and Energy Storage Business**”).

The condensed consolidated financial statements of the Group for the six months ended 30 June 2025 (the “**condensed consolidated financial statements**”) are presented in Hong Kong dollars (“**HK\$**”), which is different from the functional currency of the Company, United States dollars. The reason for selecting HK\$ as its presentation currency is because most of the shareholders of the Company are located in Hong Kong.

## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). They do not include all the information required for a complete set of financial statements prepared in accordance with HKFRS Accounting Standards, and should be read in conjunction with the Group’s last annual consolidated financial statements for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the annual consolidated financial statements for the year ended 31 December 2024 (the “**2024 Annual Financial Statements**”).

## **2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)**

The condensed consolidated financial statements are unaudited.

The condensed consolidated financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss (“**FVTPL**”) and equity instruments at fair value through other comprehensive income (“**FVTOCI**”) which are measured at fair values.

These condensed consolidated financial statements have been prepared with the same accounting policies adopted in the 2024 Annual Financial Statements, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 January 2025. The adoption of these new or revised HKFRS Accounting Standards has had no material effect on the amounts reported and/or disclosures set out in these condensed consolidated financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### **Amendments to HKFRS Accounting Standards that are mandatory effective for the current interim period**

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to a HKFRS Accounting Standard in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in the condensed consolidated financial statements.

### 3. REVENUE AND SEGMENT INFORMATION

Analysis of the Group's revenue for the period is as follows:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<i>Revenue recognised at a point in time</i>		
Sales of jewellery products	<b>112,998</b>	124,627
Sales of properties	<b>3,804</b>	13,686
Sales of electricity	<b>5,400</b>	1,743
Service income of metal refining and purifying process for jewellery	<b>14,844</b>	3,648
Service income of energy storage business	<b>457</b>	—
<i>Revenue recognised over time</i>		
Property management fee income	<b>2,923</b>	4,971
Revenue from contracts with customers	<b>140,426</b>	148,675
Rental income	<b>5,771</b>	6,060
	<b>146,197</b>	154,735

Sales of jewellery products and service income of metal refining and purifying process for jewellery are derived from Jewellery Business. Sales of properties, property management fee income and rental income are derived from Property Business, Sales of electricity and service income of energy storage business are derived from Photovoltaic Power Generation and Energy Storage business.

#### **Sales of jewellery products**

Revenue from sales of jewellery products is recognised when control of the goods has been transferred, being when the goods have been shipped to the customers' specific location (upon delivery of goods).

#### **Sales of properties**

For contracts entered into with customers on sales of properties, revenue from sales of properties is recognised at a point in time when the control over the ownership or physical possession of the property is transferred to the customer. The relevant properties specified in the contracts are not based on customer's specifications.

## **Sales of electricity**

Income from sales of electricity is recognised at a point in time according to the unit of electricity consumed. The Group has no unsatisfied performance obligations at each reporting date.

## **Service income of metal refining and purifying process for jewellery**

Revenue from service income of metal refining and purifying process for jewellery is recognised at a point in time when the services are rendered.

## **Service income of energy storage business**

Revenue from service income of energy storage business is recognised at a point in time when the services are rendered.

## **Property management fee income**

For property management services, the Group bills a fixed amount for services provided on a monthly basis and recognises as revenue in the amount to which the Group has a right to bill and that corresponds directly with the value of performance completed. The Group primarily generates revenue from property management services income from properties managed under lump sum basis, the Group entitles to revenue at the value of property management services fee received or receivable.

## **Rental income**

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term.

Information reported to the executive directors of the Company, being the chief operating decision maker (the “**CODM**”), for the purposes of resource allocation and assessment of segment performance focuses on the revenues and profits from different types of business divisions.

The Group’s operating and reportable segments under HKFRS 8 Operating Segments are as follows:

- (i) Manufacturing and sales of jewellery products business represents manufacturing and sales of jewellery products including rings, earrings, pendants, bangles, necklaces and bracelets as well as metal refining and purifying processes for jewellery.



- (ii) Property business represents the development, sales and rental of properties at the Group's integrated and comprehensive industry park project and property management business.
- (iii) Photovoltaic power generation and energy storage business represents sales of electricity which is generated from the photovoltaic power generation system owned by the Group as well as service income of energy storage business.

**(a) Segment revenue and results**

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

**For the six months ended 30 June 2025 (unaudited)**

	<b>Jewellery business</b>	<b>Property business</b>	<b>Photovoltaic power generation and energy storage business</b>	<b>Consolidated</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
Segment revenue	<b>127,842</b>	<b>12,498</b>	<b>5,857</b>	<b>146,197</b>
Segment results	<b>18,060</b>	<b>4,441</b>	<b>2,737</b>	<b>25,238</b>
Reversal of impairment losses under ECL model				<b>344</b>
Written down on properties held for sale				<b>(2,667)</b>
Changes of fair values of financial assets at FVTPL				<b>(10,990)</b>
Gain on disposal of property, plant and equipment				<b>312</b>
Unallocated corporate income				<b>44</b>
Unallocated corporate expenses				<b>(5,524)</b>
Unallocated finance costs				<b>(805)</b>
Share of results of a joint venture				<b>21</b>
Profit before income tax				<b>5,973</b>

For the six months ended 30 June 2024 (unaudited)

	Jewellery business	Property business	Photovoltaic power generation business	Consolidated
	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>
Segment revenue	<u>128,275</u>	<u>24,717</u>	<u>1,743</u>	<u>154,735</u>
Segment results	<u>16,937</u>	<u>3,722</u>	<u>794</u>	21,453
Reversal of impairment loss under ECL model				11
Changes of fair values of financial assets at FVTPL				(446)
Gain on disposal of a subsidiary				2,827
Unallocated corporate income				346
Unallocated corporate expenses				(5,793)
Unallocated finance costs				(830)
Share of results of a joint venture				<u>6</u>
Profit before income tax				<u>17,574</u>

Segment results represent the profit earned or loss incurred by each segment and hence is arrived at without allocation of reversal of impairment loss under ECL model, written down on properties held for sale, changes of fair values of financial assets at FVTPL, gain on disposal of property, plant and equipment, gain on disposal of a subsidiary, share of results of a joint venture, and certain unallocated corporate income and expenses and finance costs. This is the measure reported to the CODM of the Company, for the purposes of resources allocation and assessment of segment performance.

**(b) Segment assets and liabilities**

The following is an analysis of the Group's segment assets and segment liabilities by operating and reportable segment:

**At 30 June 2025 (unaudited)**

	<b>Jewellery business</b>	<b>Property business</b>	<b>Photovoltaic power generation and energy storage business</b>	<b>Consolidated</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
Assets				
Segment assets	<b>334,214</b>	<b>382,598</b>	<b>68,216</b>	<b>785,028</b>
Interest in a joint venture				<b>264</b>
Equity instruments at FVTOCI				<b>272</b>
Deferred tax assets				<b>416</b>
Unallocated corporate assets				<b>14,876</b>
Consolidated total assets				<b>800,856</b>
Liabilities				
Segment liabilities	<b>43,087</b>	<b>8,512</b>	<b>41,037</b>	<b>92,636</b>
Tax payables				<b>56,767</b>
Deferred tax liabilities				<b>13,711</b>
Dividend payable				<b>13,351</b>
Unallocated corporate liabilities				<b>742</b>
Consolidated total liabilities				<b>177,207</b>

At 31 December 2024 (audited)

	Jewellery business	Property business	Photovoltaic power generation and energy storage business	Consolidated
	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>
Assets				
Segment assets	339,730	374,273	63,786	777,789
Interest in a joint venture				236
Equity instruments at FVTOCI				448
Deferred tax assets				1,369
Unallocated corporate assets				<u>5,161</u>
Consolidated total assets				<u><u>785,003</u></u>
Liabilities				
Segment liabilities	40,483	12,855	39,432	92,770
Tax payables				57,432
Deferred tax liabilities				14,534
Unallocated corporate liabilities				<u>749</u>
Consolidated total liabilities				<u><u>165,485</u></u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than interest in a joint venture, deferred tax assets, equity instruments at FVTOCI, and unallocated corporate assets.
- all liabilities are allocated to operating segments other than tax payables, deferred tax liabilities and unallocated corporate liabilities.

#### 4. PROFIT BEFORE INCOME TAX

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit before income tax has been arrived at after charging:		
Depreciation of property, plant and equipment included in:		
– cost of goods sold	2,422	588
– general and administrative expenses	1,338	1,811
	3,760	2,399
Depreciation of right-of-use assets	1,601	93
Total depreciation	5,361	2,492
Directors' remuneration		
– fees	324	324
– salaries and other benefits	3,795	3,795
– retirement benefit scheme contributions	18	27
	4,137	4,146
Other staff's salaries and other benefits*	7,215	9,602
Other staff's retirement benefits scheme contributions*	532	765
Total staff costs	11,884	14,513
Auditor's remuneration	250	240
Cost of inventories and properties held for sale recognised as expenses (included in cost of goods sold)	101,909	110,398

\* No forfeited contribution available for offset against existing contributions to pension costs defined contribution plans and social security costs during the six months ended 30 June 2025 and 2024.

## 5. INCOME TAX CREDIT

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
The income tax credit comprises:		
Hong Kong Profits Tax		
– Current period	—	597
– Under/ (over)-provision in prior years	230	(693)
PRC Tax		
– Current period	952	4,275
– Over-provision in prior years	(13)	(7,839)
Over-provision in prior years	(2,950)	(2,043)
	(1,781)	(5,703)
Deferred tax credit	(261)	(1,964)
	(2,042)	(7,667)

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 group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

Under the Law of the PRC on Enterprise Income Tax (“EIT”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

The Group’s manufacturing of fine jewellery products is conducted through its processing factories in the PRC under contract processing arrangement. Accordingly, under such 50:50 onshore/offshore arrangement between the Group and the processing factories, certain profits of the Group are not taxable under Hong Kong Profits Tax during both periods. In addition, the processing factories of the Group is subject to the PRC EIT at a rate of 25% on the deemed profit generated in the PRC.

The provision of Land Appreciation Tax (“LAT”) is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been levied at progressive rates ranging from 30% to 60% on the appreciation of land value, represented by the excess of sales proceeds of properties over prescribed direct costs. Prescribed direct costs are defined to include costs of land, development and construction costs, as well as certain costs relating to the property development. According to the State Administration of Taxation’s official circulars, LAT shall be payable provisionally upon sales of the properties, followed by final ascertainment of the gain at the completion of the project of properties development.

## 6. DIVIDEND

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Dividends recognised as distribution during the period		
Final dividend for 2024 of HK\$0.01 (2023:		
HK\$0.02) per share	<b><u>13,351</u></b>	<b><u>26,790</u></b>

The directors of the Company had not declared any interim dividend for the six months ended 30 June 2024 and 2025.

Final dividend for 2024 of approximately HK\$13,351,000 was subsequently paid by the Company on 7 July 2025. Final dividend for 2023 of approximately HK\$26,790,000 was paid by the Company during the six months ended 30 June 2024.

During the six months ended 30 June 2025, the Company has purchased 1,167,000 of its own shares from the market which were cancelled on 29 May 2025.

During the six months ended 30 June 2024, the Company has purchased 1,587,000 of its own shares from the market. Dividend paid by the Company in respect of these shares has been eliminated to the respective dividend received by the Company.

## 7. EARNINGS PER SHARE

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

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Earnings</b>		
Profit for the period attributable to owners of the Company for the purposes of calculating basic and diluted earnings per share	<u><b>7,400</b></u>	<u><b>25,429</b></u>
	<b>Number of shares</b>	
	<u><b>'000</b></u>	<u><b>'000</b></u>
<b>Shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	<u><b>1,335,615</b></u>	<u><b>1,340,443</b></u>

Diluted earnings per share were same as the basic earnings per share as there were no dilutive potential ordinary shares in existence during the period ended 30 June 2025.

The computation of diluted earnings per share for the period ended 30 June 2024 does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price of the shares for the period ended 30 June 2024.

During the six months ended 30 June 2025, the Company has purchased 1,167,000 shares (six months ended 30 June 2024: 1,587,000 shares) in aggregate of its own shares from the market. All the repurchased shares during the six months ended 30 June 2025 were cancelled on 29 May 2025.



## 8. TRADE AND OTHER RECEIVABLES

	At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Trade receivables	60,773	65,184
Less: Allowance for impairment loss on ECL	<u>(363)</u>	<u>(19,731)</u>
	60,410	45,453
Other receivables, prepayments and deposits	12,035	14,931
Amount due from a joint venture	<u>1,368</u>	<u>1,435</u>
	<u><b>73,813</b></u>	<u><b>61,819</b></u>

As at 30 June 2025, following the assessment of individual balances based on the Group's historical default experiences and the individual characteristics of each customer including but not limited to the aging profile and financial position together with other forward looking factors, the Group has reversed an impairment loss under ECL Model of approximately HK\$344,000 on trade receivables for the period (year ended 31 December 2024: approximately of HK\$1,137,000). The reversal of impairment loss was made since the corresponding trade receivables have been settled during the period.

Trade receivables of approximately HK\$19,552,000 has been written off to allowance for impairment loss on ECL during the six months ended 30 June 2025 (six months ended 30 June 2024: HK\$1,144,000).

The basis of determining the inputs and assumptions and the estimation techniques used in the impairment assessment of financial assets subject to expected credit loss model in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

The following is an analysis of trade receivables by age, net of allowance for expected credit losses, presented based on the invoice date, which approximates the respective revenue recognition date.

	At <b>30 June</b> <b>2025</b> <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
0–30 days	<b>21,142</b>	12,306
31–60 days	<b>15,962</b>	9,449
61–180 days	<b>19,017</b>	19,252
181–365 days	<b>4,289</b>	4,446
	<b>60,410</b>	45,453

The Group generally allows a credit period of up to 120 days to its customers. A longer credit period may be granted to large or long established customers with good payment history.

Other receivables, prepayments and deposits mainly comprised of value-added tax recoverable.

## 9. TRADE AND OTHER PAYABLES

	At <b>30 June</b> <b>2025</b> <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Trade payables	<b>32,386</b>	28,388
Accruals and other payables	<b>17,687</b>	17,248
	<b>50,073</b>	45,636

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

	At <b>30 June</b> <b>2025</b> <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
0–60 days	14,270	10,671
61–90 days	5,856	1,798
Over 90 days	12,260	15,919
	<u>32,386</u>	<u>28,388</u>

## 10. SHARE CAPITAL

	At <b>30 June</b> <b>2025</b> <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Authorised:		
3,000,000,000 ordinary shares of one third Hong Kong cent each (year ended 31 December 2024: 3,000,000,000 ordinary shares of one third Hong Kong cent each)	<u>10,000</u>	<u>10,000</u>
Issued and fully paid:		
1,335,078,000 ordinary shares of one third Hong Kong cent each (year ended 31 December 2024: 1,336,245,000 ordinary shares of one third Hong Kong cent each)	<u>4,450</u>	<u>4,454</u>
	<b>Number of ordinary shares</b>	Nominal value of ordinary shares <i>HK\$'000</i>
Authorised:		
At 1 January 2024 (audited), 31 December 2024 (audited) and 30 June 2025 (unaudited)	<u><b>3,000,000,000</b></u>	<u>10,000</u>

	Number of ordinary shares	Nominal value of ordinary shares HK\$'000
Issued and fully paid:		
At 1 January 2024 (audited)	1,341,009,000	4,470
Repurchase and cancellation of shares	(4,764,000)	(16)
At 31 December 2024 (audited) and 1 January 2025	1,336,245,000	4,454
Repurchase and cancellation of shares	(1,167,000)	(4)
At 30 June 2025	<u>1,335,078,000</u>	<u>4,450</u>

*Note:* During the six months ended 30 June 2025, the Company purchased 1,167,000 shares (year ended 31 December 2024: 4,764,000 shares) in aggregate of its own shares from the market. The shares were acquired at prices ranged from HK\$0.179 to HK\$0.185 (year ended 31 December 2024: ranged from HK\$0.178 to HK\$0.200), with an average price of HK\$0.182 (year ended 31 December 2024: HK\$0.192) per share. Total cost of the share repurchase was HK\$212,000, with transaction costs amounting to HK\$7,000. The aggregated amount paid for the repurchases was HK\$219,000.

## 11. DISPOSAL OF A SUBSIDIARY

On 1 April 2024, Perfect Jewellery (China) Co. Limited (“**Perfect Jewellery (China)**”), an indirectly wholly-owned subsidiary of the Company, entered into a disposal agreement (the “**Agreement**”) with Foshan Yingfu Technology Co., Ltd.\* (佛山市盈富科技有限公司) (“**Foshan Yingfu Technology**”), an independent third party, in relation to the disposal of the 100% equity interests in Foshan Huaguanhui Property Management Ltd.\* (佛山市華冠匯物業管理有限公司) (“**Foshan Huaguanhui Property Management**”), which was principally engaged in the property management business for a consideration of approximately RMB3,670,000 (equivalent to approximately HK\$3,958,000) (the “**Disposal of Foshan Huaguanhui Property Management**”). The Disposal of Foshan Huaguanhui Property Management was completed in April 2024 and since then Foshan Huaguanhui Property Management ceased to be an indirectly wholly-owned subsidiary of the Company, and Foshan Huaguanhui Property Management’s financial results will no longer be consolidated into the Group’s consolidated financial statements.

	HK\$'000
Consideration received in cash and cash equivalents	<u>3,958</u>

## Analysis of assets and liabilities of the subsidiary in which the control was lost

	<i>HK\$'000</i>
Trade receivables	1,314
Other receivables	475
Cash and cash equivalents	1,561
Accruals and other payables	(2,145)
Contract liabilities	<u>(74)</u>
Net assets disposed of	<u><u>1,131</u></u>

## Gain on disposal of a subsidiary

	<i>HK\$'000</i>
Net assets disposed of	(1,131)
Consideration received	<u>3,958</u>
Gain on disposal	<u><u>2,827</u></u>

The gain on disposal of a subsidiary is included in “Other gains and losses, net” in the condensed consolidated statement of profit or loss and other comprehensive income.

## Net cash outflow on disposal of a subsidiary

	<b>Six months ended 30 June 2024</b> <i>HK\$'000</i>
Consideration received in cash and cash equivalents	3,958
Less: cash and cash equivalents of the subsidiary disposed of	<u>(1,561)</u>
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	<u><u>2,397</u></u>

- \* The English name of the company established in the PRC represent management’s translation of the Chinese name of such company for information purpose only.

## 12. EVENTS AFTER REPORTING PERIOD

1. On 30 May 2025, one of the controlling shareholders of the Company, Immaculate Diamonds Limited (the “**Offeror**”), requested the Directors of the Company to put forward the proposal for the privatisation of the Company by the Offeror (the “**Proposal**”) by way of the scheme of arrangement to be proposed under section 86 of the Companies Act (2025 Revision) of the Cayman Islands (the “**Companies Act**”). Subject to certain terms and conditions, the Proposal will constitute a withdrawal of listing of the Shares of the Company on the Stock Exchange under The Rules Governing the Listing of Securities on Main Board of the Stock Exchange (the “**Listing Rules**”). Details of the Proposal are set out in the Company’s joint announcement with Offeror dated 9 June 2025.

On 30 June, 2025, an application has been made by the Company pursuant to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the scheme document relating to the Proposal to a date falling on or before 19 September 2025.

2. On 16 July 2025, the Group entered into an agreement with an independent third party, pursuant to which the Group agreed to acquire, and the vendor agreed to sell, a membership of the Hong Kong Golf Club at the consideration of HK\$13,500,000.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business outlook and prospects

The principal businesses of the Group are (a) designing, manufacturing and sales of high-end fine jewellery (primarily mounted with diamonds) as well as metal refining and purifying process for jewellery (the “**Jewellery Business**”); (b) investment in, and development, and sales of properties for the Group’s integrated and comprehensive industry park located at 1st Ring Road South Extension Foshan, Guangdong Province, People’s Republic of China (the “**PRC**”) (the “**Property Business**”) as an integrated and comprehensive industry park (the “**Perfect Group Jewellery Industry Park**”); and (c) sales of electricity generated from the photovoltaic power generation system and provision of energy storage service (the “**Photovoltaic Power Generation and Energy Storage Business**”).

#### *The Jewellery Business*

During the six months ended 30 June 2025, the Jewellery Business continued to be hit by the weakened global macroeconomic environment and heightened geopolitical tensions, declining economic growth expectation, record high gold prices, and the high tariff on exports imposed by the US administration which weakened the customer sentiment significantly. The Group has already downsized its operation in the PRC as the market showed no sign of significant recovery since 2024. Despite a highly uncertain and challenging market environment for the Jewellery Business, the Group was committed to participate actively in various shows, fairs and exhibitions held in both Hong Kong and overseas. In addition, our sales team was devoted to visiting overseas customers and soliciting more sales orders from existing and potential customers.

On the other hand, Guangdong Huijinying Jewellery Company Limited\* (廣東滙金盈珠寶有限公司), an indirect non-wholly owned subsidiary of the Company, is principally engaged in metal refining and purifying processes through its licensed environmental protection centre. Given the metal refining and purifying processes are part of the jewellery manufacturing process and the products and economic characteristics are similar to the Jewellery Business segment, the segment of metal refining and purifying processes for jewellery has been incorporated into the Jewellery Business segment.

### ***Outlook for the Jewellery Business***

It is expected that the Jewellery Business will continue to be affected by the above-mentioned challenging macroeconomic environment. The Group will be committed to enhancing its participation in jewellery fairs and exhibitions in Hong Kong and overseas and developing competitive jewellery styles in the market for the purpose of attracting new customers and consolidating the Jewellery Business. Leveraging its extensive experience and deep insight into the Jewellery Business, the Group will continue to take a proactive and responsive approach to strengthen business resilience by staying vigilant and actively monitoring dynamics and fast-evolving jewellery market conditions. The Group will continue to focus on the development of the Jewellery Business in overseas markets.

### ***The Property Business***

Since the second half of 2018, the Group has commenced the delivery of the completed units, including industrial units, car parks and dormitory, to its customers. The vast majority of the revenue from the possible sale of properties had already been recognised by the Group upon the units sold. On the other hand, the provision of management services in the Perfect Group Jewellery Industry Park has generated stable income for the Group.

### ***Outlook for the Property Business***

In light of the weak market sentiment of the PRC industrial property market, the Group does not have any new property development project on hand nor any plan to commence or acquire any new project. As such, no significant increase in revenue is expected from the sales of properties. The Property Business will primarily rely on revenue generated from the sale of remaining industrial units and car parks held by the Group and income from provision of management services in the coming few years.

### ***The Photovoltaic Power Generation and Energy Storage Business***

The Group, while not only actively making efforts to strengthen the development of both the Jewellery Business and the Property Business, is also on the lookout for and exploring new business opportunities to diversify its existing revenue streams and to improve the overall profitability of the Group. The photovoltaic power generation business involves sales of electricity which is generated from the photovoltaic power generation system owned by Guangdong Kaisi New Energy Co., Ltd.\* (廣東愷斯新能源有限公司) (“**Guangdong Kaisi**”), an indirect non-wholly owned subsidiary of the Company. Guangdong Kaisi charges users for approximately 70% to 90% of the official charge rate stipulated by the local electricity bureau. In case the customers could not utilise all the electricity generated, the unutilised electricity would be sold to the local electricity bureau at a reduced rate.



As at 30 June 2025, the Group completed the grid connection of fifteen projects (as at 30 June 2024: ten projects) in the PRC with an aggregate maximum capacity of approximately 16,953 kilo-Watt (as at 30 June 2024: 8,643 kilo-Watt) and the power generated was approximately 7.8 million units during the six months ended 30 June 2025 (during the six months ended 30 June 2024: 3.0 million units).

In the second half of 2024, Guangdong Kaichu New Energy Company Limited (“**Guangdong Kaichu**”)\* (廣東愷儲新能源有限公司), an indirect non-wholly owned subsidiary of the Company, was established to engage in the energy storage business. Guangdong Kaichu provides energy storage solutions including grip peak and frequency regulation, emergency backup and energy storage capacity services, effectively improving the flexibility of the power grid operation and power quality for the customers. At the same time, it plays an important role in ensuring power supply and new energy consumption. As at 30 June 2025, the Group, through Guangdong Kaichu, successfully built and put into operation its three energy power storage stations in the PRC with an aggregate maximum capacity of approximately 4,831 kilo-Watt and power generation of approximately 1.0 million units during the six months ended 30 June 2025.

### ***Outlook for the Photovoltaic Power Generation and Energy Storage Business***

In recent years, in order to address frequent global extreme climate change and mitigate the impact of rising fossil fuel prices, renewable and clean energy, represented by photovoltaics, has become a global trend. With the long-term PRC government strategic support, continuous technological advances and cost reductions, photovoltaic power is now the renewable energy with the greatest development potential. Despite a relatively short operation period of the Photovoltaic Power Generation and Energy Storage Business and the keen market competition in the PRC due to reduced entry barriers, with lower cost compared with the inflated fossil fuel prices, demand for photovoltaic products in the future is expected to increase.

### **Privatisation of the Company**

Unless the context requires otherwise, all capitalized terms in this section shall have the same meaning as defined in the announcements of the Company dated 9 June 2025 and 30 June 2025 and 30 July 2025 jointly issued by the Company and Immaculate Diamonds Limited (“**Joint Announcements**”), one of the controlling shareholders of the Company (the “**Offeror**”).

On 30 May 2025, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of the scheme of arrangement under section 86 of the Companies Act. The Scheme will involve the cancellation and extinguishment of the Scheme Shares and, in consideration, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share cancelled, and the withdrawal of the listing of the Shares from the Stock Exchange.

On 30 June 2025, an application has been made to the Executive pursuant to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the Scheme Document to a date falling on or before 19 September 2025. The Executive has indicated that it is minded to grant its consent for such extension.

Since 30 July 2025, the Company has been in the course of preparing to file a summons for directions to convene the Court Meeting and a petition with the Grand Court seeking the sanction of the Scheme. The Grand Court will list the date for such directions hearing (the “**Directions Hearing**”) upon the application is made. Further, the Company is currently in the course of finalising the information in relation to the Proposal and the Scheme to be included in the Scheme Document for the Directions Hearing.

For details, please refer to the Joint Announcements dated 9 June 2025, 30 June 2025 and 30 July 2025 issued by the Company and the Offeror.

## FINANCIAL REVIEW

### Overall Revenue

	Six months ended 30 June					
	2025		2024		Increase/(Decrease)	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
	(Unaudited)		(Unaudited)			
Jewellery Business	127,842	87.4	128,275	82.9	(433)	(0.3)
Property Business	12,498	8.6	24,717	16.0	(12,219)	(49.4)
Photovoltaic Power Generation and Energy Storage Business	5,857	4.0	1,743	1.1	4,114	236.0
	<u>146,197</u>	<u>100.0</u>	<u>154,735</u>	<u>100.0</u>	(8,538)	(5.5)

The revenue for the six months ended 30 June 2025 was approximately HK\$146.2 million (six months ended 30 June 2024: approximately HK\$154.7 million), representing a decrease of approximately HK\$8.5 million or 5.5% from the corresponding period of 2024. The decrease was mainly due to the decrease in revenue from the Jewellery Business and Property Business of approximately HK\$0.4 million or 0.3% and HK\$12.2 million or 49.4%, respectively, and such impact was marginally offset by the increase in revenue from the Photovoltaic Power Generation and Energy Storage Business of approximately HK\$4.1 million or 236.0%.

The revenue from the Jewellery Business, the Property Business and the Photovoltaic Power Generation and Energy Storage Business represented approximately 87.4%, 8.6% and 4.0% of the Group's revenue for the six months ended 30 June 2025, respectively (six months ended 30 June 2024: 82.9%, 16.0% and 1.1%).

	<b>Six months ended</b>			
	<b>30 June</b>			
	<b>2025</b>	<b>2024</b>	<b>Increase/(Decrease)</b>	
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>%</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>		
Hong Kong	<b>81,482</b>	95,579	(14,097)	(14.7)
Dubai	<b>24,849</b>	27,299	(2,450)	(9.0)
PRC	<b>39,866</b>	31,857	8,009	25.1
	<b><u>146,197</u></b>	<b><u>154,735</u></b>	(8,538)	(5.5)

The revenue from Hong Kong decreased from approximately HK\$95.6 million for the six months ended 30 June 2024 to approximately HK\$81.5 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$14.1 million or 14.7%.

The revenue from Dubai decreased from approximately HK\$27.3 million for the six months ended 30 June 2024 to approximately HK\$24.8 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$2.5 million or 9.0%.

The revenue from the PRC increased from approximately HK\$31.9 million for the six months ended 30 June 2024 to approximately HK\$39.9 million for the six months ended 30 June 2025, representing an increase of approximately HK\$8.0 million or 25.1%.

The decrease in revenue in Hong Kong and Dubai was mainly due to the decrease in revenue from sales of jewellery products resulting from the challenging macroeconomic conditions which weakened the customer sentiment during the six months ended 30 June 2025.

The increase in revenue in the PRC was mainly due to the increase in service income of metal refining and purifying process for jewellery and expansion of Photovoltaic Power Generation and Energy Storage Business during the six months ended 30 June 2025.

## Overall gross profit and gross profit margin

	Six months ended 30 June				Increase/(Decrease)			
	2025		2024					
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit		Gross profit margin	
	HK\$'000 (Unaudited)	%	HK\$'000 (Unaudited)	%	HK\$'000	%	Percentage point	%
Jewellery Business	32,033	25.1	33,190	25.9	(1,157)	(3.5)	(0.8)	(3.1)
Property Business	6,825	54.6	8,265	33.4	(1,440)	(17.4)	21.2	63.5
Photovoltaic Power Generation and Energy Storage Business	3,039	51.9	1,048	60.0	1,991	190.0	(8.1)	(13.5)
	<u>41,897</u>	<u>28.7</u>	<u>42,503</u>	<u>27.5</u>	(606)	(1.4)	1.2	4.4

The overall gross profit decreased from approximately HK\$42.5 million for the six months ended 30 June 2024 to approximately HK\$41.9 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$0.6 million or 1.4%. The overall gross profit composed of approximately HK\$32.0 million from the Jewellery Business for the six months ended 30 June 2025, representing a decrease of approximately HK\$1.2 million or 3.5% as compared to the six months ended 30 June 2024; approximately HK\$6.8 million from the Property Business for the six months ended 30 June 2025, representing a decrease of approximately HK\$1.4 million or 17.4% as compared to the six months ended 30 June 2024; and approximately HK\$3.0 million from the Photovoltaic Power Generation and Energy Storage Business for the six months ended 30 June 2025, representing a significant increase of approximately HK\$2.0 million or 190.0% as compared to the six months ended 30 June 2024.

The overall gross profit margin increased from approximately 27.5% for the six months ended 30 June 2024 to approximately 28.7% for the six months ended 30 June 2025, representing an increase of approximately 1.2 percentage point or 4.4%. The increase in overall gross profit margin was mainly due to the increase in gross profit margin from the Property Business resulting from the decrease in sales of properties with relatively lower profit margin.

## Jewellery Business

### Revenue

	Six months ended 30 June		Increase/(Decrease)	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	HK\$'000	%
Sales of jewellery products	112,998	124,627	(11,629)	(9.3)
Service income of metal refining and purifying process for jewellery	14,844	3,648	11,196	306.9
	<u>127,842</u>	<u>128,275</u>	(433)	(0.3)

The revenue from the Jewellery Business decreased from approximately HK\$128.3 million for the six months ended 30 June 2024 to approximately HK\$127.8 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$0.4 million or 0.3%. The decrease was mainly due to the decrease in revenue from the sales of jewellery products from Hong Kong and Dubai and such impact was partially offset by the increase in revenue from service income of metal refining and purifying process for jewellery in the PRC.

### Gross profit and gross profit margin

	Six months ended 30 June				Increase/(Decrease)			
	2025		2024		Gross profit		Gross profit margin	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit		Percentage point	%
	HK\$'000 (Unaudited)	%	HK\$'000 (Unaudited)	%	HK\$'000	%		
Sales of jewellery products	30,738	27.2	32,769	26.3	(2,031)	(6.2)	0.9	3.4
Service income of metal refining and purifying process for jewellery	1,295	8.7	421	11.5	874	207.6	(2.8)	(24.3)
	<u>32,033</u>	<u>25.1</u>	<u>33,190</u>	<u>25.9</u>	(1,157)	(3.5)	(0.8)	(3.1)

The gross profit on the Jewellery Business decreased from approximately HK\$33.2 million for the six months ended 30 June 2024 to approximately HK\$32.0 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$1.2 million or 3.5%. The gross profit margin on the Jewellery Business decreased from approximately 25.9% for the year ended six months ended 30 June 2024 to approximately 25.1% for the six months ended 30 June 2025, representing a decrease of approximately 0.8 percentage point or 3.1%. The decrease in gross profit was in line with the decrease in revenue and gross profit from Hong Kong and Dubai. The decrease in gross profit margin was mainly due to the record high gold prices on the finished jewellery products sold offset by the service income of metal refining and purifying process for jewellery with relatively lower profit margin.

## Property Business

### Revenue

	Six months ended 30 June		Increase (Decrease)	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	HK\$'000	%
Sales of properties	3,804	13,686	(9,882)	(72.2)
Rental income	5,771	6,060	(289)	(4.8)
Property management fee income	2,923	4,971	(2,048)	(41.2)
	<u>12,498</u>	<u>24,717</u>	(12,219)	(49.4)

Total revenue from the Property Business decreased from approximately HK\$24.7 million for the six months ended 30 June 2024 to approximately HK\$12.5 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$12.2 million or 49.4%. The significant decrease was mainly due to the significant decrease in sales of properties and property management fee income. During the six months ended 30 June 2025, there were only one property and two car parks sold and delivered to a customer (for the six months ended 30 June 2024: nine properties) with the saleable gross floor area sold and delivered of approximately 1,003 square metres (for the six months ended 30 June 2024: approximately 2,822 square metres).

The rental income decreased from approximately HK\$6.1 million for the six months ended 30 June 2024 to approximately HK\$5.8 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$0.3 million or 4.8%. The decrease in rental income was mainly due to certain properties being purchased by the tenants and thus less rental income being generated from these properties during the six months ended 30 June 2025.

The property management fee income decreased from approximately HK\$5.0 million for the six months ended 30 June 2024 to approximately HK\$2.9 million for the six months ended 30 June 2025, representing a significant decrease of approximately HK\$2.1 million or 41.2%. The significant decrease in property management fee income was mainly due to the Disposal of Foshan Huaguanhui Property Management in April 2024.

### ***Gross profit and gross profit margin***

The gross profit recognised for the six months ended 30 June 2025 was approximately HK\$6.8 million (for the six months ended 30 June 2024: approximately HK\$8.3 million) and the gross profit margin was approximately 54.6% (for the six months ended 30 June 2024: approximately 33.4%). The decrease in gross profit was in line with the decrease in sales of properties and property management fee income. The increase in gross profit margin was mainly due to the decrease in sales of properties with relatively lower profit margin.

### **The Photovoltaic Power Generation and Energy Storage Business**

#### ***Revenue, gross profit and gross profit margin***

Revenue	Six months ended			
	30 June			
	2025	2024	Increase (Decrease)	
	HK\$'000	HK\$'000	HK\$'000	%
	(Unaudited)	(Unaudited)		
Sales of electricity from photovoltaic power generation system	5,400	1,743	3,657	209.8
Service income from energy storage business	457	—	457	N/A
	<u>5,857</u>	<u>1,743</u>	4,114	236.0

The revenue from the Photovoltaic Power Generation and Energy Storage Business increased from approximately HK\$1.7 million for the six months ended 30 June 2024 to approximately HK\$5.9 million for the six months ended 30 June 2025.

The gross profit increased from approximately HK\$1.0 million for the six months ended 30 June 2024 to approximately HK\$3.0 million for the six months ended 30 June 2025. The gross profit margin decreased from approximately 60.0% for the six months ended 30 June 2024 to approximately 51.9% for the six months ended 30 June 2025. The increase in gross profit was due to the increase in sales of electricity as more photovoltaic power generation projects were carried out. The decrease in gross profit margin was due to the diluting effect of lower gross profit margin from the commencement of energy storage business during the second half of 2024.



## **Other income**

Other income remained at similar level of approximately HK\$3.0 million for the six months ended 30 June 2025 as compared with that for the six months ended 30 June 2024. Other income mainly comprised of interest income from bank deposits of approximately HK\$2.5 million for the six months ended 30 June 2025 (for the six months ended 30 June 2024: approximately HK\$2.5 million).

## **Other gains and losses, net**

The other gains and losses changed from a gain of approximately HK\$2.8 million for the six months ended 30 June 2024 to a loss of approximately HK\$10.7 million for the six months ended 30 June 2025. The change was mainly due to the net effect of (i) net loss on changes in fair values of financial assets at FVTPL of approximately HK\$11.0 million, mainly comprised of (a) the realised loss on the gold futures contracts of approximately HK\$7.4 million; (b) the gain on disposal of the listed equity securities of approximately HK\$1.0 million; (c) the unrealised loss on the gold futures contracts and silver futures contracts of approximately HK\$3.9 million and HK\$0.6 million, respectively; (ii) the gain on Disposal of Foshan Huaguanhui Property Management of approximately HK\$2.8 million recorded during the six months ended 30 June 2024 but no such gain recorded during the six months ended 30 June 2025; and (iii) gain on disposal of property, plant and equipment of approximately HK\$0.3 million recorded for the six months ended 30 June 2025 as opposed to no such gain recorded during the six months ended 30 June 2024.

Further details of the gold and silver futures contracts are set out in paragraph heading “Financial assets at fair value through profit or loss” of this announcement.

## **Written down on properties held for sale**

The written down on properties held for sale located in the Perfect Group Jewellery Industry Park in the PRC was approximately HK\$2.7 million for the six months ended 30 June 2025 (for the six months ended 30 June 2024 : nil). With the overall industrial property market in the PRC remained subdued for the six months ended 30 June 2025 and there was no significant improvement in the industrial property market up to the date of this announcement, write down of the properties held for sale was recognised for the six months ended 30 June 2025.

## **Selling and distribution costs**

The selling and distribution costs decreased from approximately HK\$7.1 million for the six months ended 30 June 2024 to approximately HK\$5.8 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$1.3 million or 18.3%. The decrease was mainly due to the tightening control of selling expenditure of the Jewellery Business during the six months ended 30 June 2025.



## **General and administrative expenses**

The general and administrative expenses decreased from approximately HK\$22.7 million for the six months ended 30 June 2024 to approximately HK\$19.2 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$3.5 million or 15.4%. The decrease was mainly due to the tightening control of administrative expenditure of Jewellery Business and Property Business during the six months ended 30 June 2025.

## **Finance costs**

The finance costs remained at similar level of approximately HK\$0.8 million for the six months ended 30 June 2025 compared with that for the six months ended 30 June 2024 that mainly comprised of interest on bank loans from Photovoltaic Power Generation and Energy Storage Business.

## **Share of results of a joint venture**

Share of profit of a joint venture increased from approximately HK\$6,000 for the six months ended 30 June 2024 to approximately HK\$21,000 for the six months ended 30 June 2025, representing an increase of approximately HK\$15,000 or 250.0%. Share of profit of a joint venture, namely Zhaoqing Shunzhiguang Electric Power Technology Co., Ltd.\* (肇慶順之光電力科技有限公司) (“**Zhaoqing Shunzhiguang**”), which reflected the Group’s share of the results of its 50% equity interests in the entity. The principal activities of Zhaoqing Shunzhiguang are photovoltaic power generation business.

## **Income tax credit**

Income tax credit decreased from approximately HK\$7.7 million for the six months ended 30 June 2024 to approximately HK\$2.0 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$5.7 million or 74.0%. The decrease was mainly due to the substantial reversal of the over-provision of PRC Tax in previous years during the six months ended 30 June 2024 as opposed to no such reversal recorded during the six months ended 30 June 2025.

## **Profit for the period**

As a result of the above-mentioned factors, profit for the period decreased from approximately HK\$25.2 million for the six months ended 30 June 2024 to approximately HK\$8.0 million for the six months ended 30 June 2025, representing a decrease of approximately HK\$17.2 million or 68.3%.

## **Financial assets at fair value through profit or loss**

Due to the escalation in international gold price and the significant amount of gold inventories maintained by the Group for the six months ended 30 June 2025, the Group entered into certain gold futures contracts (short position) to hedge and mitigate against the gold price fluctuations on the gold inventories (long position) between the time when they were purchased and the time when they were sold as finished jewellery products.

The Group recorded a realised loss and an unrealised loss of approximately HK\$7.4 million and approximately HK\$3.9 million on the gold futures contracts for the six months ended 30 June 2025, respectively. The realised loss on the gold futures contracts was offset by the corresponding gain on the finished jewellery products sold where the gold price fluctuation was reflected in the adjusted selling prices and the revenue. The unrealised loss arose on account of the mark-to-market value of the outstanding gold futures contracts (short position) of the Group as at 30 June 2025. The realised loss on the gold futures contracts for a particular period was offset by the corresponding gain on the gold inventories sold and when the short position of the gold futures contracts were closed.

In addition, the Group has entered into certain silver futures contracts (short position) to hedge and mitigate against the silver price fluctuations on the silver inventories (long position) between the time when they were purchased and the time when they were sold.

The Group recorded an unrealised loss of approximately HK\$0.6 million on the silver futures contracts for the six months ended 30 June 2025.

The Company considers that the entering into of the gold and silver futures contracts are intrinsic measures adopted by the industry in general to stabilise the costs of gold and silver inventories borne by the Group in the volatile gold and silver markets, and the realised and unrealised losses of the gold and silver futures contracts should not have any material impact on the Group's cash flows and operations.

As at 30 June 2025, both outstanding position of gold futures contracts and silver futures contracts were lower than that of gold and silver inventories maintained by the Group.

## **Liquidity and financial resources**

As at 30 June 2025, the current assets amounted to approximately HK\$657.8 million (as at 31 December 2024: approximately HK\$647.5 million) and the current liabilities amounted to approximately HK\$157.2 million (as at 31 December 2024: approximately HK\$143.1 million). Accordingly, the current ratio, which is the ratio of current assets to current liabilities, was approximately 4.2 as at 30 June 2025 (as at 31 December 2024: approximately 4.5).

As at 30 June 2025, bank deposits and cash and cash equivalents amounted to approximately HK\$105.9 million (as at 31 December 2024: HK\$112.9 million) and HK\$67.6 million (as at 31 December 2024: HK\$44.8 million), respectively.

As at 30 June 2025, the total interest-bearing bank loans amounted to approximately HK\$32.8 million (as at 31 December 2024: HK\$31.9 million). The loans contained a repayment on demand clause and carried at fixed interest rates per annum. The loans were denominated in RMB, being the functional currency of the respective operating subsidiary of the Group.

Final dividend for the year ended 31 December 2024 of approximately HK\$13.4 million was subsequently paid by the Company on 7 July 2025. Final dividend for 2023 of approximately HK\$26.8 million was paid by the Company during the six months ended 30 June 2024.

As at 30 June 2025, the Group did not use any financial instruments for hedging purpose.

In view of the financial position of the Group as at 30 June 2025 as illustrated above, the Directors believe that the Group has adequate working capital to support its ongoing operations and business development.

### **Gearing ratio**

The gearing ratio, which is calculated by dividing total borrowings by equity attributable to owners of the Company, was approximately 0.05 (as at 31 December 2024: approximately 0.05).

### **Charge of assets and guarantee**

As at 30 June 2025, certain of the Group's buildings and properties held for sale with a net carrying amount of approximately HK\$4.5 million and HK\$40.5 million, respectively (31 December 2024: approximately HK\$4.4 million and HK\$43.3 million, respectively) were pledged to secure a bank loan granted to a PRC subsidiary.

The Group has provided guarantee of approximately RMB45.0 million (equivalent to approximately HK\$49.2 million) (as at 31 December 2024: approximately RMB45 million (equivalent to approximately HK\$47.9 million) for credit facilities to a PRC subsidiary of the Group that would be released by bank upon full repayment of the loans.

## **Capital commitments**

As at 30 June 2025, the Group had capital commitments in respect of the plant and machinery contracted but not provided for amounting to HK\$nil (31 December 2024: approximately HK\$6.9 million). The decrease was mainly resulted from the completion of installation of photovoltaic equipment for the Photovoltaic Power Generation and Energy Storage Business.

## **Contingent liabilities**

As at 30 June 2025, the Group provided guarantees of approximately RMB2.5 million (equivalent to approximately HK\$2.8 million) (31 December 2024: approximately RMB2.8 million and equivalent to approximately HK\$3.0 million) to facilitate mortgage loans applications of the purchasers of the properties that were developed by the Group. Such guarantees will be released by banks upon delivery of the properties to the purchasers and completion of registration of the relevant mortgaged properties. In the opinion of the Directors, the fair values of these guarantee contracts of the Group are insignificant at initial recognition and the Directors consider that the possibility of default of the parties involved is remote. Accordingly, no fair value has been recognised at the inception of the guarantee contracts and at the end of the reporting periods as at 30 June 2025 and 31 December 2024.

## **Event after the reporting period**

1. On 30 May 2025, one of the controlling shareholders of the Company, Immaculate Diamonds Limited, requested the Directors of the Company to put forward the proposal for the privatisation of the Company by the Offeror by way of the scheme of arrangement to be proposed under section 86 of the Companies Act. Subject to certain terms and conditions, the Proposal will constitute a withdrawal of listing of the Shares of the Company under the Listing Rules. Details of the Proposal are set out in the Company's joint announcement with the Offeror dated 9 June 2025.

On 30 June, 2025, an application has been made by the Company pursuant to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the scheme document relating to the Proposal to a date falling on or before 19 September 2025.

2. On 16 July 2025, the Group entered into an agreement with an independent third party, pursuant to which the Group agreed to acquire, and the vendor agreed to sell, a membership of the Hong Kong Golf Club at the consideration of HK\$13,500,000.

## **Material acquisitions and disposals of subsidiaries and affiliated companies**

There were no material acquisitions and disposals of subsidiaries and affiliated companies during the six months ended 30 June 2025.

## **Foreign exchange exposure**

During the six months ended 30 June 2025, certain group entities have foreign currency denominated sales and purchases; and monetary assets and liabilities which expose the Group to foreign currency risks on the currencies of HKD, USD, RMB, and AED. The sales are primarily made in USD while the expenses, including purchase of raw materials are mainly in USD and HKD with immaterial portion of cost, primarily being staff cost and factory overheads, in RMB.

Despite the expenses are mainly settled in HKD and USD and substantial portion of the sales and expenses are made in either USD or HKD, with HKD and AED being pegged with the USD, the impact of fluctuation of USD to the operational and financial performance would be immaterial, hence the Group's exposure to currency risk is not significant.

## **Employee and remuneration policy**

As at 30 June 2025, the Group had a total of 100 employees (31 December 2024: 133 employees) in Hong Kong, and the PRC. The total salaries and related costs for the six months ended 30 June 2025 amounted to approximately HK\$11.9 million (six months ended 30 June 2024: approximately HK\$14.5 million).

The Group offered competitive remuneration package to incentivise the staff to improve their work performance. The Company has a share option scheme in place as a means to encourage and reward the eligible employees (including the Directors) for contributions to the Group's performance and business development based on their individual performance. The employees' remuneration, promotion and salary are assessed by reference to their work performance, working experience, professional qualifications and the prevailing market practice.

The Group conducts a range of targeted training and development programs through various institutions to strengthen employees' skills and knowledge, with an aim to well equip them to cope with the development in the industry.

## **Future plans for material investments or capital assets**

There was no plan authorised by the Board for any material investments or additions of capital assets as at 30 June 2025. The Group will continue to look for suitable opportunities for investments or acquisition of material capital assets to enhance its profitability in the ordinary course of its business.

## **Interim dividend**

The Board, after considering the current market situation and the operations of the Group, resolved not to declare any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

## **Code on corporate governance practices**

The Company is committed to maintaining good standard of corporate governance to safeguard the interest of its shareholders and to enhance corporate value and responsibility. During the six months ended 30 June 2025, the Company complied with the code provisions set out in Part 2 of the Corporate Governance Code (the “**CG Code**”) in Appendix C1 to the Listing Rules, except the deviation from code provision C.2.1 of the CG Code as explained below. The Company will continue to enhance its corporate governance practices which are considered appropriate to the operations and growth of its business.

According to code provision C.2.1 of the CG Code, the role of chairman of the Board and chief executive officer should be separate and should not be performed by the same individual. The role of the chief executive officer was performed by Mr. Kan, who was also the chairman of the Board. Mr. Kan, as the founder of the Group, has extensive experience and knowledge in the fine jewellery industry and is responsible for managing the overall operations of the Group and planning the business development and strategies. The Directors consider that vesting the role of the chairman of the Board and the chief executive officer in the same individual is beneficial to the management and the business development of the Group. The balance of power and authority is ensured by the operations of the Board and the senior management, which comprise experienced and high calibre individuals. The Board will continue to review and consider splitting the roles of the chairman of the Board and the chief executive officer at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

## **Model code for securities transactions of Directors**

The Company adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as the code of conduct for Directors in their dealings in the securities of the Company.

Having made specific enquiry of all Directors, the Directors complied with the Model Code during the six months ended 30 June 2025.



## **Pre-emptive rights**

There are no provisions for pre-emptive rights under the Company's memorandum and articles of association or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## **Purchase, sale or redemption of listing securities**

During the six months ended 30 June 2025, the Company repurchased a total of 1,167,000 of its own ordinary shares from the market for an aggregate consideration of HK\$0.2 million (before expenses) and such shares were cancelled on 29 May 2025. As at 30 June 2025 and the date of this announcement, the total number of share issued was and is 1,335,078,000.

Save as disclosed above, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2025.

## **Sufficiency of public float**

Based on the information that is publicly available to the Company and to the knowledge of the Directors as at the latest practicable date prior to the issue of this announcement, the Company has maintained a sufficient public float as required under the Listing Rules.

## **Audit committee**

The audit committee of the Board (the "**Audit Committee**") has been established in compliance with Rules 3.21 and 3.22 of the Listing Rules with written terms of reference in compliance with the CG Code. The primary roles of the Audit Committee include, but are not limited to, (a) making recommendations to the Board on the appointment, reappointment and removal of external auditor, and approving remuneration and terms of engagement of external auditor, and any questions of their resignation or dismissal; (b) monitoring integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly report, and reviewing significant financial reporting judgements contained therein; and (c) reviewing the Company's financial controls, and risk management and internal control systems. The Audit Committee has reviewed and confirmed the accounting principles and practices adopted by the Group and discussed the auditing, internal control, risk management and financial reporting matters. The Audit Committee comprises three independent non-executive Directors namely, Mr. Wong Wai Keung Frederick, Dr. Ng Wang Pun Dennis and Ms. Ng Sin Kiu. Mr. Wong Wai Keung Frederick serves as the chairman of the Audit Committee. The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025.

Moore CPA Limited, the Company's auditor, carried out review of the unaudited interim results of the Group for the six months ended 30 June 2025 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

### **Publication of interim results announcement**

This results announcement is published on the Company's website ([www.hkperjew.com.hk](http://www.hkperjew.com.hk)) and the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)).

The interim report of the Company for the six months ended 30 June 2025 containing all the information required by the Listing Rules will be available at the Company's and the Stock Exchange's websites and dispatched to the Company's shareholders in due course.

By order of the Board  
**Perfect Group International Holdings Limited**  
**Kan Kin Kwong**  
*Chairman and executive Director*

Hong Kong, 25 August 2025

*As at the date of this announcement, the executive Directors are Mr. Kan Kin Kwong, Ms. Shek Mei Chun and Mr. Chung Chi Keung; and the independent non-executive Directors are Dr. Ng Wang Pun Dennis, Ms. Ng Sin Kiu and Mr. Wong Wai Keung Frederick.*

\* *The English names of the companies established in the PRC represent management's translation of the Chinese names of such companies and are for information purpose only.*