SINO GOLF HOLDINGS LIMITED
順龍控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00361)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the "**Board**") of directors (the "**Directors**") of Sino Golf Holdings Limited (the "**Company**") hereby announces the unaudited condensed consolidated interim results and financial position of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2025 (the "**period**") with comparative figures for the corresponding period in the previous year as follows. The condensed consolidated interim results and financial position has not been audited, but has been reviewed by the audit committee of the Company (the "**Audit Committee**").

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	NOTES	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	*3*	**88,956**	129,126
Cost of sales		**(67,395)**	(99,876)
Gross profit		**21,561**	29,250
Other operating income	*5*	**1,340**	2,970
Selling and distribution expenses		**(26)**	(95)
Administrative expenses		**(31,825)**	(27,857)
Finance costs	*6*	**(5,116)**	(3,847)
(Loss) Profit before tax	*8*	**(14,066)**	421
Income tax expenses	*7*	**(544)**	(1,180)
Loss for the period		**(14,610)**	(759)

* *for identification purpose only*

	NOTE	Six months ended 30 June **2025** ***HK$'000*** **(Unaudited)**	 2024 *HK$'000* (Unaudited)
Other comprehensive expense			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of financial statements of foreign operations		**–**	–
Other comprehensive expense for the period, net of income tax		**–**	–
Total comprehensive expense for the period		**(14,610)**	(759)
Loss for the period attributable to:			
– Owners of the Company		**(14,610)**	(759)
– Non-controlling interests		**–**	–
		(14,610)	(759)
Total comprehensive expense for the period attributable to:			
– Owners of the Company		**(14,610)**	(759)
– Non-controlling interests		**–**	–
		(14,610)	(759)
		HK cent	*HK cent*
Loss per share			
– Basic and diluted	*10*	**(0.28)**	(0.01)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

	NOTES	**30.6.2025** **HK$'000** **(Unaudited)**	31.12.2024 *HK$'000* (Audited)
Non-current assets			
Property, plant and equipment		**62,914**	65,295
Right-of-use assets		**158,936**	161,902
Goodwill		**–**	–
Club debentures		**1,322**	1,322
Prepayments for the acquisition of property, plant and equipment		**128**	128
		223,300	228,647
Current assets			
Inventories		**12,238**	18,736
Trade and other receivables	*11*	**34,399**	36,581
Bank balances and cash		**109,525**	116,008
		156,162	171,325
Current liabilities			
Trade and other payables	*12*	**70,622**	50,984
Lease liabilities		**116**	108
Income tax payable		**494**	1,026
Bank borrowings		**28,723**	56,383
		99,955	108,501
Net current assets		**56,207**	62,824
Total assets less current liabilities		**279,507**	291,471

	NOTE	**30.6.2025**	31.12.2024
		HK$'000	*HK$'000*
		(Unaudited)	(Audited)
Non-current liabilities			
Convertible bond		**66,057**	63,351
Lease liabilities		**448**	508
		66,505	63,859
Net assets		**213,002**	227,612
Capital and reserves			
Share capital	*13*	**52,013**	52,013
Reserves		**158,259**	172,869
Equity attributable to owners of the Company		**210,272**	224,882
Non-controlling interests		**2,730**	2,730
Total equity		**213,002**	227,612

Notes:

1. BASIS OF PREPARATION

The condensed consolidated financial information of the Group for the period has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with Hong Kong Accounting Standards ("**HKASs**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial information has been prepared on the historical cost basis, except for ownership interest in leasehold land and buildings, which are measured at revalued amount.

Except as described below, the accounting policies used in the condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

In the current interim period, the Group has applied, for the first time, the following amendment to Hong Kong Financial Report Standard ("**HKFRS Accounting Standards**"), which collective term includes all applicable individual HKFRS Accounting Standards, HKASs and Interpretations issued by the HKICPA, which is effective for the Group's financial year beginning on 1 January 2025:

The amendments to HKAS 21 "Lack of Exchangeability" specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. Besides, the amendments also require an entity to disclose additional information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The application of this amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and consolidated financial position for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial information.

3. REVENUE

Revenue represents revenue arising on sales of goods for the period.

4. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three (2024: three) reportable and operating segments as follows:

Golf equipment – Manufacture and sales of golf equipment and related components and parts.

Golf bags – Trading of golf bags, other accessories, and related components and parts.

Hospitality – Development of integrated resort in the Commonwealth of the Northern Mariana Islands (the "**CNMI**").

(a) Segment revenue and results

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

	For the six months ended 30 June							
	Golf equipment		Golf bags		Hospitality		Consolidated	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	HK\$'000	*HK\$'000*	***HK\$'000***	*HK\$'000*	***HK\$'000***	*HK\$'000*	***HK\$'000***	*HK\$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Segment revenue:								
Sales to external customers	**79,318**	119,673	**9,638**	9,453	**–**	–	**88,956**	129,126
Other operating income	**484**	1,720	**5**	75	**–**	–	**489**	1,795
Total	**79,802**	121,393	**9,643**	9,528	**–**	–	**89,445**	130,921
Segment results	**763**	11,536	**(1,000)**	(631)	**(2,833)**	(2,863)	**(3,070)**	8,042
Interest income							**851**	1,175
Unallocated corporate expenses							**(6,731)**	(4,949)
Finance costs							**(5,116)**	(3,847)
(Loss) Profit before tax							**(14,066)**	421

Segment results represent the profit/(loss) from each segment without allocation of interest income, central administration costs, Directors' emoluments and finance costs. This is the measure reported to the chief operating decision maker of the Group for the purposes of resource allocation and performance assessment.

(b) Segment assets and liabilities

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

	Golf equipment		Golf bags		Hospitality		Consolidated	
	30.6.2025	31.12.2024	**30.6.2025**	31.12.2024	**30.6.2025**	31.12.2024	**30.6.2025**	31.12.2024
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)
Segment assets	**111,105**	120,789	**2,114**	3,155	**152,631**	155,417	**265,850**	279,361
Unallocated corporate assets								
– Club debentures							**1,322**	1,322
– Bank balances and cash							**109,525**	116,008
– Others							**2,765**	3,281
Total assets							**379,462**	399,972
Segment liabilities	**30,731**	40,068	**1,032**	1,161	**7,515**	7,515	**39,278**	48,744
Unallocated corporate liabilities								
– Amount due to the former director							**30,580**	–
– Income tax payable							**494**	1,026
– Bank borrowings							**28,723**	56,383
– Convertible bond							**66,057**	63,351
– Others							**1,328**	2,856
Total liabilities							**166,460**	172,360

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

- all assets are allocated to operating segments other than club debentures, bank balances and cash, certain other receivables, certain inventories and plant and equipment for central administrative purpose; and

- all liabilities are allocated to operating segments other than amount due to the former director included in "trade and other payables" *(note 12)*, income tax payable, bank borrowings, convertible bond and certain other payables.

5. OTHER OPERATING INCOME

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest income	**851**	1,175
Gain on disposal of property, plant and equipment	**7**	5
Rental income	**213**	173
Sale of scrap materials	**35**	–
Sample income	**67**	89
Tooling income	**–**	226
Sundry income	**167**	163
Exchange gain, net	**–**	1,139
	1,340	2,970

6. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest expenses on:		
– Amount due to the former director	**1,448**	255
– Convertible bond	**2,706**	2,494
– Bank borrowings	**950**	1,083
– Lease liabilities	**12**	15
	5,116	3,847

7. INCOME TAX EXPENSES

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Hong Kong Profits Tax		
– Current period	**–**	150
The People's Republic of China (the "**PRC**") Enterprise Income Tax		
– Current period	**544**	1,017
– Under-provision in prior periods	**–**	13
	544	1,180

(i) No provision for Hong Kong Profits Tax has been made for the six months ended 30 June 2025 as there are no assessable profits generated or the estimated assessable profits has been offset by tax losses brought forward from previous years. Provision for Hong Kong Profits Tax at 16.5% of estimated assessable profits has been made for the six months ended 30 June 2024.

(ii) Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

(iii) The corporate income tax in the CNMI is calculated at 30% of the estimated profits. No provision for corporate income tax for the subsidiary incorporated in the CNMI has been made as no income has been derived from the CNMI during the six months ended 30 June 2025 and 2024.

(iv) The Group is not subject to taxation in other jurisdiction.

8. (LOSS) PROFIT BEFORE TAX

(Loss) Profit before tax for the period has been arrived at after charging (crediting):

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Amount of inventories recognised as an expense	**67,395**	99,876
Depreciation of property, plant and equipment	**2,627**	1,737
Depreciation of right-of-use assets	**2,966**	3,031
Exchange loss (gain), net	**490**	(1,139)
Expenses related to short-term leases	**987**	984
Gain on disposal of property, plant and equipment	**(7)**	(5)

9. DIVIDENDS

No dividends were paid, declared or proposed during the period. The Directors have determined that no dividend will be paid in respect of the period (six months ended 30 June 2024: nil).

10. LOSS PER SHARE

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

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Loss		
Loss for the period attributable to owners of the Company for the purpose of basic and diluted loss per share	**(14,610)**	(759)

	Six months ended 30 June	
	2025	2024
	'000	*'000*
	(Unaudited)	(Unaudited)
Number of shares		
Number of ordinary shares for the purpose of basic and diluted loss per share	**5,201,250**	5,201,250

The computation of diluted loss per share for the six months ended 30 June 2025 and 2024 does not assume the conversion of the Company's outstanding convertible bond since its exercise would result in a decrease in loss per share.

11. TRADE AND OTHER RECEIVABLES

	30.6.2025	31.12.2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade receivables, at amortised cost	**29,182**	30,731
Deposits and other receivables	**2,714**	2,971
Prepayments	**2,427**	2,768
Prepayments to suppliers	**76**	111
	34,399	36,581

The Group does not hold any collateral over these balances.

(i) The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally between 30 and 60 days (31 December 2024: 30 and 60 days). The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management.

As at 30 June 2025, the gross amount of trade receivables arising from contracts with customers amounted to approximately HK$29,182,000 (31 December 2024: HK$30,731,000).

(ii) The following is an ageing analysis of the trade receivables of the Group presented based on the invoice date, which approximates the respective revenue recognition date, at the end of the reporting period:

	30.6.2025	31.12.2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 to 30 days	**20,662**	24,876
31 to 90 days	**8,520**	5,586
91 to 180 days	**–**	269
	29,182	30,731

12. TRADE AND OTHER PAYABLES

	30.6.2025	31.12.2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade payables	**16,223**	23,991
Contract liabilities	**597**	553
Accruals and other payables	**23,222**	26,440
Amount due to the former director *(Note)*	**30,580**	–
	70,622	50,984

Note: Interest rate of 9.75% (2024: 9.75%) per annum was charged on the amount due to Mr. Chu Chun Man, Augustine, the former director of the Company, who resigned on 1 January 2024 and continued as a director of certain subsidiaries of the Company for the six months ended 30 June 2025.

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

	30.6.2025	31.12.2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 to 90 days	**13,681**	20,453
91 to 180 days	**651**	1,723
181 to 365 days	**144**	103
Over 365 days	**1,747**	1,712
	16,223	23,991

The average credit period on purchases of goods is from 30 days to 90 days (31 December 2024: 30 days to 90 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

13. SHARE CAPITAL

	Number of shares	**Share capital**
	'000	*HK$'000*
Ordinary shares of HK$0.01 (31 December 2024: HK$0.01) each		
Authorised		
As at 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	10,000,000	
Issued and fully paid		
As at 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	5,201,250	52,013

14. EVENT AFTER THE REPORTING PERIOD

No significant event has taken place subsequent to 30 June 2025 and up to the date of interim results announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS AND BUSINESS REVIEW

The golf market has become more volatile and tougher since early 2025 when the United States significantly increased tariffs on imported goods. Exports from China were charged with exceptionally high tariffs by the United States which adversely affected the Group's business.

As the Group transacted golf business mainly with the United States customers, the high tariff policy of the United States had significant impact on the Group's sales for the first half year of 2025. Major customers either shift orders away or temporarily withheld shipments for further observation to avoid substantial and instant tariff payments. The adverse situation was alleviated when the United States temporarily reduced the tariff rate on China from as high as 145% to 30% in April 2025 for a period of 90 days pending the outcome of trade negotiations between the two countries. Although this move helped the Group to deliver some withheld shipments upon the instructions of the customers, the Group nevertheless suffered a substantial drop in sales and recorded a significant loss for the period due to the impact of the tariff imposed by the United States. Facing the on-going economic turmoil, the Group pursued a strategy to carry on business by close collaborations with customers to best accommodate their needs and requirements.

Impacted by the tariff imposition, the golf revenue of the Group plummeted during the six months ended 30 June 2025. No revenue was generated by the hospitality segment during the period due to continued postponement of the development of the hospitality business until the external restricting factors in the CNMI are resolved. The Group has strengthened the rationalisation measures to effectively streamline the operations and optimise costs. To substantiate the long-term development, the Board is devoted to exploring more and different potential development opportunities to expand and diversify the business of the Group.

The Group's revenue for the six months ended 30 June 2025 amounted to approximately HK$88,956,000 (2024: HK$129,126,000). Loss for the period attributable to owners of the Company increased to approximately HK$14,610,000 (2024: HK$759,000). Basic and diluted loss per share were both approximately HK0.28 cent for the reporting period (2024: HK0.01 cent).

GOLF EQUIPMENT BUSINESS

The golf equipment business has been the main operating segment of the Group throughout the years. It generated approximately 89.2% of the Group's revenue for the six months ended 30 June 2025 (2024: 92.7%). Adversely affected by the high tariff policy of the United States, the segment revenue declined by 33.7% to approximately HK$79,318,000 for the period (2024: HK$119,673,000).

During the period, sales of golf equipment to the largest segmental customer dropped by 26.9% to approximately HK$65,725,000 (2024: HK$89,902,000), representing approximately 82.9% (2024: 75.1%) of the segment revenue or approximately 73.9% (2024: 69.6%) of the Group's revenue for the period, respectively. Sales to other key segmental customers varied showing both increase and decrease accordingly. Revenue generated from the top five segmental customers decreased by 33.9% to approximately HK$78,050,000 (2024: HK$118,135,000), representing approximately 98.4% (2024: 98.7%) of the segment revenue or approximately 87.7% (2024: 91.5%) of the Group's revenue for the period, respectively. The Group pursued diverse marketing strategy to mitigate the revenue decline caused by the tariff charges of the United States.

To persistently control and optimise costs, the Group had reinforced the rationalisation measures for the operations of the Shandong manufacturing facility to enhance its production efficiency with greater output. The manufacturing process was examined and upgraded via the use of advanced equipment to lower the re-work and wastage rates to help reduce the manufacturing costs. The supply chain was broadened through engaging alternative supply sources to offer more competitive pricing and better product quality. The Group continued to provide performance incentives to motivate the production workforce to strive for achieving higher output targets. The Shandong manufacturing facility had carried out periodic review to timely regulate the headcount of workers to reflect the fluctuations in business volume. Supported by the proactive management, the golf equipment segment has endeavored to maintain a reasonable performance albeit the on-going economic uncertainties.

Suffering from the sales decline, the golf equipment segment recorded a drastic drop in segment profit to approximately HK$763,000 for the six months ended 30 June 2025 (2024: HK$11,536,000). Taking into account the order book status and the uncertainties caused by the tariff imposition, it is envisaged that the golf equipment segment will be operating in a highly volatile market with great challenges. The Group has adopted a prudent view on the prospect of the golf equipment business in the second half year of 2025.

GOLF BAGS BUSINESS

Following the cessation of the manufacturing operations, the golf bags segment had changed to a trading business mode since last year whereby the golf bags production was subcontracted to external factories. The golf bags segment operated by maintaining relevant office and technical staff to handle customer orders, product development and samples. It was mainly responsible for providing back-up services to subcontractors in connection with customer liaisons, production related affairs and delivery arrangements.

The Group's revenue attributable to the golf bags segment, defined as the sales of golf bags and accessories to external customers, increased slightly by 2.0% to approximately HK$9,638,000 (2024: HK$9,453,000), representing approximately 10.8% of the Group's revenue for the six months ended 30 June 2025 (2024: 7.3%).

The segment revenue for the period comprised golf bags sales of approximately HK$8,268,000 (2024: HK$7,275,000) and accessories sales mainly sports bags of approximately HK$1,370,000 (2024: HK$2,178,000), representing approximately 85.8% (2024: 77.0%) and 14.2% (2024: 23.0%) of the segment revenue, respectively.

Sales to the largest segmental customer surged 81.9% to approximately HK$7,633,000 during the period (2024: HK$4,197,000), representing approximately 79.2% (2024: 44.4%) of the segment revenue or approximately 8.6% (2024: 3.3%) of the Group's revenue for the period, respectively. Sales to other key segmental customers basically dropped or vanished as some of them diverted to purchase golf bags from non-China suppliers whilst just a few managed to show an increase in sales. Revenue generated from the top five segmental customers increased by 16.7% to approximately HK$9,638,000 (2024: HK$8,261,000), representing approximately 100.0% (2024: 87.4%) of the segment revenue or approximately 10.8% (2024: 6.4%) of the Group's revenue for the period, respectively. The golf bags segment is devoted to continually streamlining the trading operations with an aim to optimise the costs.

Given a thin contribution from the trading operations, the golf bags segment recorded a segment loss of approximately HK$1,000,000 for the six months ended 30 June 2025 (2024: HK$631,000). Having considered the order book status and the unfavorable market conditions, it is anticipated that the golf bags segment will face intense competition with huge pressure. The Group has adopted a cautious view on the prospect of the golf bags business in the second half year of 2025.

HOSPITALITY BUSINESS

The Board has been exploring appropriate diversified business opportunities and investments to expand the revenue sources and enhance the long-term growth potential of the Group. It provides the Group with opportunities to dip into the hospitality segment of the CNMI and savor in the development of the tourism and golf related industries in the CNMI.

Due to the shortage of local construction workers and uncertainty of overseas working visa quota in the CNMI, the development will be postponed until all external factors have been solved.

During the current period ended, no revenue (2024: nil) was generated from the hospitality business.

PROSPECTS

The high tariff policy of the United States implemented in early 2025 has brought great uncertainties for the business sector. China was initially charged with exceptionally high tariff at 145% which was temporarily reduced to 30% in April 2025 for a period of 90 days pending the outcome of trade negotiations between the two countries. The tariff imposed by the United States has adversely affected the Group's business as major customers either shift orders away or temporarily withheld shipments for further observation to avoid substantial and instant tariff payments. To avoid persistent loss of customer orders under the high tariff charges of the United States, it is imperative that Group should expeditiously establish or procure a manufacturing base outside China to get around the high tariffs charged on goods exported from China. The Group is actively exploring an opportunity to acquire a golf factory located outside China which, if materialised, will help maintain or regain business with major customers. Besides, the Group has reinforced the stringent measures to effectively rationalise the operations and optimise costs as the main focus. To substantiate the long-term development of the golf business, the Group is determined to enhance the customer profile through diverse marketing initiatives augmented by value-added services to best accommodate and fulfill customer needs. More importantly, the Group has possessed solid and healthy financial position with adequate funds to finance its operations and discharge the liabilities when due. Our management holds a cautious view with prudence on the prospect of the golf business for the foreseeable future.

Although the development plan in the CNMI has been postponed at the current stage, the Group will continue to observe the hospitality industry trend in the CNMI from time to time and start the development plan in best entry time.

Looking forward, the Group will continue to pursue a cautious business approach to actively monitor the golf business and seize other development and growth opportunities to enhance competitiveness and strive for the best return and interest for the shareholders of the Company.

DIVIDEND

The Board resolved not to recommend the payment of any dividend for the six months ended 30 June 2025 (2024: nil).

FINANCIAL RESOURCES, LIQUIDITY AND GEARING

The Group accomplished its working capital and other funding needs principally through cash generated from the operations and borrowings as well as advances from a former director who resigned on 1 January 2024 and continued as a director of certain subsidiaries. As at 30 June 2025, bank balances and cash, which were mostly denominated in United States dollars, Hong Kong dollars and Renminbi ("**RMB**"), amounted to approximately HK$109,525,000 (31 December 2024: HK$116,008,000). As at 30 June 2025, interest-bearing borrowings of the Group comprising bank borrowings amounted to RMB27,000,000 which was equivalent to approximately HK$28,723,000 (31 December 2024: RMB53,000,000 equivalent to approximately HK$56,383,000), of which all were repayable within one year and carried interest at 3.20% (31 December 2024: ranging from 3.20% to 3.55%) per annum. Bank borrowings were fixed rate borrowings denominated in RMB as at 30 June 2025 and 31 December 2024, respectively. Amount due to the former director of approximately HK$30,580,000 as at 30 June 2025 (31 December 2024: Nil) was unsecured, carrying interest at 9.75% (31 December 2024: 9.75%) per annum and repayable on demand.

As at 30 June 2025, the gearing ratio, defined as bank borrowings, amount due to the former director and convertible bond less bank balances and cash of approximately HK$15,835,000 (31 December 2024: HK$3,726,000) divided by the total equity of approximately HK$213,002,000 (31 December 2024: HK$227,612,000) was approximately 7.4% (31 December 2024: 1.6%).

As at 30 June 2025, the total assets and the net asset value of the Group amounted to approximately HK$379,462,000 (31 December 2024: HK$399,972,000) and approximately HK$213,002,000 (31 December 2024: HK$227,612,000), respectively. Current and quick ratios as at 30 June 2025 were approximately 1.56 (31 December 2024: 1.58) and approximately 1.44 (31 December 2024: 1.41), respectively. Both the current ratio and quick ratio stayed reasonable and solid. The Group is devoted to continually exploring feasible ways to rationalise and improve its financial position from time to time.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisition or disposal of subsidiaries, associates or joint ventures for the six months ended 30 June 2025.

PLEDGE OF ASSETS

As at 30 June 2025, bank borrowings from a PRC bank of RMB27,000,000 which was equivalent to approximately HK$28,723,000 (31 December 2024: RMB53,000,000 which was equivalent to approximately HK$56,383,000) were secured by property, plant and equipment and the right-of-use assets of the Group with a carrying value of approximately HK$62,250,000 (31 December 2024: HK$63,698,000).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group is exposed to foreign currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of operations to which they relate. The currency giving rise to this risk is primarily RMB. The Group is exposed to foreign currency risk due to the exchange rate fluctuation of RMB against Hong Kong dollars and United States dollars. The Group had not entered into any derivative contracts to hedge against the risk for the six months ended 30 June 2025. The Group will review and monitor its currency exposure from time to time and when appropriate hedge its currency risk.

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 30 June 2025.

EVENT AFTER THE REPORTING PERIOD

No significant event has taken place subsequent to 30 June 2025 and up to the date of interim results announcement.

CAPITAL COMMITMENTS

As at 30 June 2025, the Group had capital commitments, which are contracted but not provided in the condensed consolidated financial information, in respect of plant and equipment amounting to approximately HK$72,000 (31 December 2024: HK$72,000).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had approximately 530 employees (31 December 2024: 680 employees) located mainly in Hong Kong and the PRC. It is the Group's strategy to maintain a harmonious relationship with its employees through provision of competitive remuneration packages and career development opportunities. The employees are remunerated based on their duties, experience and performance as well as market practices. The remuneration packages are reviewed annually to assure fairness and appropriateness and discretionary bonuses may be awarded to employees based on individual performance.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE

The Company has complied with all the applicable code provisions as set out in Part 2 of the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2025, except for certain deviation which is explained below:

Code provision C.2.1 in Part 2 of the CG Code requires that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. During the six months ended 30 June 2025, Mr. Wong Hin Shek is the Chairman of the Board and is responsible for overseeing the general operations of the Group. The Company does not have an officer with the title "Chief Executive Officer". The overall responsibility of supervising and ensuring that the Group functions in line with the order of the Board in terms of day-to-day operations and execution is vested in the Board itself. The deviation is deemed appropriate and the Board believes that even vesting the roles of both chairman and chief executive officer in the same person could still provide the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. The Board further considers that the current structure does not impair the balance of power and authority between the Board and the management of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the Directors. Upon specific enquiry, all Directors have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2025.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors with written terms of reference. The Audit Committee has reviewed with management the accounting policies and practice adopted by the Group and discussed auditing, internal controls, and financial reporting matters including review of the condensed consolidated financial information for the six months ended 30 June 2025.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the website of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") at http://www.hkexnews.hk and on the website of the Company at http://www.sinogolf.com. The interim report will be made available and dispatched (where applicable) to the shareholders and published on both the websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to thank all our employees for their contribution and commitments. I also wish to extend my sincere gratitude to our shareholders, customers, suppliers and business partners for their long-term supports and dedication.

By order of the Board
Sino Golf Holdings Limited
Wong Hin Shek
Chairman

Hong Kong, 27 August 2025

As at the date of this announcement, the Board comprises (i) Mr. Wong Hin Shek as executive Director; (ii) Mr. Choi Sum Shing Samson as non-executive Director; and (iii) Mr. Sheng Baojun, Mr. Ho Kwong Yu and Ms. Lin Lin as independent non-executive Directors.