

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



NEWAY GROUP HOLDINGS LIMITED

中星集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00055)

GROUP INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Neway Group Holdings Limited (the “**Company**”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2025 (the “**Period**”), together with comparative figures for the corresponding period of the previous year as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Six months ended	
	NOTE	30.6.2025	30.6.2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue			
Revenue from goods and services	3	169,206	193,008
Rental income		3,914	3,827
Interest income from lending business		880	2,362
Total revenue		174,000	199,197
Cost of sales and services		(138,096)	(155,729)

* For identification purpose only

	<i>NOTES</i>	Six months ended	
		30.6.2025	30.6.2024
		<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Unaudited)
Gross profit		35,904	43,468
Interest income		2,382	3,404
Other income		1,402	2,725
Selling and distribution expenses		(10,763)	(12,677)
Administrative and other expenses		(52,740)	(57,078)
Other gains and losses, net	7	(2,263)	(16,220)
Net reversal of impairment losses (impairment losses) on financial assets and contract assets		5,046	(8)
Finance costs	5	(3,597)	(3,148)
Loss before taxation		(24,629)	(39,534)
Taxation credit (charge)	6	1,795	(575)
Loss for the period	7	(22,834)	(40,109)
Other comprehensive income (expense):			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		10,567	(8,380)
Total comprehensive expense for the period		(12,267)	(48,489)

	<i>NOTE</i>	Six months ended	
		30.6.2025	30.6.2024
		<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company		(22,602)	(40,056)
Loss for the period attributable to non-controlling interests		<u>(232)</u>	<u>(53)</u>
		<u>(22,834)</u>	<u>(40,109)</u>
Total comprehensive expense for the period attributable to:			
Owners of the Company		(11,922)	(48,436)
Non-controlling interests		<u>(345)</u>	<u>(53)</u>
		<u>(12,267)</u>	<u>(48,489)</u>
Loss per share	9		
Basic (<i>HK cents</i>)		<u>(8.9)</u>	<u>(15.8)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025

	NOTES	30.6.2025 <i>HK\$'000</i> (Unaudited)	31.12.2024 <i>HK\$'000</i> (Audited)
Non-current assets			
Property, plant and equipment	10	123,690	133,136
Investment properties	10	165,242	159,876
Equity instruments at fair value through other comprehensive income (“FVTOCI”)	12	13,176	13,088
Club membership		3,404	3,404
Prepayments and deposits	13	5,477	5,401
Interests in joint ventures and an associate		390	390
Loans receivable		487	717
Deposit paid for acquisition of property, plant and equipment		4,337	1,891
Deferred tax assets		14,658	13,582
		<u>330,861</u>	<u>331,485</u>
Current assets			
Inventories		18,711	18,731
Properties under development for sale/properties for sale	11	321,072	310,158
Financial assets at fair value through profit or loss (“FVTPL”)	12	10,984	9,488
Trade and other receivables, prepayments and deposits	13	154,037	170,793
Contract assets		21,952	23,980
Loans receivable		28,239	30,223
Tax recoverable		117	117
Pledged bank deposits		64,919	63,728
Short-term bank deposits		39,536	60,064
Cash and cash equivalents		76,478	58,326
		<u>736,045</u>	<u>745,608</u>

	<i>NOTES</i>	30.6.2025 <i>HK\$'000</i> (Unaudited)	31.12.2024 <i>HK\$'000</i> (Audited)
Current liabilities			
Trade and other payables and accruals	14	172,951	194,335
Lease liabilities		8,310	11,596
Contract liabilities	15	61,793	20,519
Tax liabilities		5,579	7,689
Amount due to a non-controlling shareholder of a subsidiary	14	16,409	15,947
Bank borrowings		104,904	117,251
		<u>369,946</u>	<u>367,337</u>
Net current assets		<u>366,099</u>	<u>378,271</u>
Total assets less current liabilities		<u>696,960</u>	<u>709,756</u>
Non-current liabilities			
Lease liabilities		36,139	38,526
Bank borrowings		33,501	30,145
Deferred tax liabilities		13,797	15,295
		<u>83,437</u>	<u>83,966</u>
Net assets		<u>613,523</u>	<u>625,790</u>
Capital and reserves			
Share capital		2,533	2,533
Reserves		615,152	627,074
Total attributable to owners of the Company		617,685	629,607
Non-controlling interests		<u>(4,162)</u>	<u>(3,817)</u>
Total equity		<u>613,523</u>	<u>625,790</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Attributable to owners of the Company											
	Share capital	Share premium	Deemed contribution from a shareholder	Capital redemption reserve	Contributed surplus	Properties revaluation reserve	Investment revaluation reserve	Translation reserve	Retained profits (accumulated losses)	Sub-total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2024 (audited)	2,533	368,851	188,957	63	103,571	92,137	(22,986)	(14,053)	7,566	726,639	(3,837)	722,802
Loss for the period	-	-	-	-	-	-	-	-	(40,056)	(40,056)	(53)	(40,109)
Other comprehensive expense												
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	(8,380)	-	(8,380)	-	(8,380)
Total comprehensive expense for the period	-	-	-	-	-	-	-	(8,380)	(40,056)	(48,436)	(53)	(48,489)
At 30 June 2024 (unaudited)	2,533	368,851	188,957	63	103,571	92,137	(22,986)	(22,433)	(32,490)	678,203	(3,890)	674,313
At 1 January 2025 (audited)	2,533	368,851	188,957	63	103,571	92,137	(31,986)	(25,092)	(69,427)	629,607	(3,817)	625,790
Loss for the period	-	-	-	-	-	-	-	-	(22,602)	(22,602)	(232)	(22,834)
Other comprehensive income (expense)												
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	10,680	-	10,680	(113)	10,567
Total comprehensive income (expense) for the period	-	-	-	-	-	-	-	10,680	(22,602)	(11,922)	(345)	(12,267)
At 30 June 2025 (unaudited)	2,533	368,851	188,957	63	103,571	92,137	(31,986)	(14,412)	(92,029)	617,685	(4,162)	613,523

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

The condensed consolidated financial statements of Neway Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to a HKFRS Accounting Standard

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 Group’s annual period beginning on 1 January 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim 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 these condensed consolidated financial statements.

3. REVENUE FROM GOODS AND SERVICES

An analysis of the Group's revenue from goods and services by segment for the period is as follows:

	Six months ended	
	30.6.2025	30.6.2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Types of goods or services:		
Manufacturing and Sales Business*		
– Income from manufacturing and sales of printing and other products	<u>157,785</u>	<u>177,671</u>
Music and Entertainment Business*		
– Income from the licensing of the musical works	1,513	1,408
– Sales of albums	152	217
– Others	<u>1</u>	<u>189</u>
	<u>1,666</u>	<u>1,814</u>
Trading Business*		
– Sales of printing and other products	<u>9,755</u>	<u>13,523</u>
	<u>169,206</u>	<u>193,008</u>

* The segment names are defined in the section “Segment information” in note 4.

	Six months ended	
	30.6.2025	30.6.2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Geographical markets:		
Hong Kong	39,149	70,384
The People's Republic of China ("PRC")	90,774	88,989
Europe	16,960	12,421
United States	17,603	20,108
Others	4,720	1,106
	<u>169,206</u>	<u>193,008</u>

Information about the Group's revenue from external customers is presented based on the locations of the shipments of goods or the services provided.

	Six months ended	
	30.6.2025	30.6.2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Timing of revenue recognition:		
Over time	157,785	177,671
A point in time	11,421	15,337
	<u>169,206</u>	<u>193,008</u>

4. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purposes of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

The Group's operating and reportable segments are therefore as follows:

- (a) Money lending ("**Lending Business**");
- (b) Manufacturing and sales of printing and other products ("**Manufacturing and Sales Business**");
- (c) Artistes management, production and distribution of music albums as well as concert and event management and investment ("**Music and Entertainment Business**");
- (d) Property development ("**Property Development Business**"), including properties development projects in the PRC and Hong Kong;
- (e) Property investment ("**Property Investment Business**"), including properties leasing, management and investments in the PRC and Hong Kong;
- (f) Securities trading ("**Securities Trading Business**"); and
- (g) Trading of printing and other products ("**Trading Business**").

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

	Revenue		Segment profit (loss)	
	Six months ended		Six months ended	
	30.6.2025	30.6.2024	30.6.2025	30.6.2024
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Lending Business	880	2,362	(337)	1,266
Manufacturing and Sales Business	157,785	177,671	(5,095)	(8,617)
Music and Entertainment Business	1,666	1,814	(52)	(1,409)
Property Development Business	–	–	(5,902)	(6,977)
Property Investment Business	3,914	3,827	(4,199)	(12,193)
Securities Trading Business	–	–	1,109	(3,835)
Trading Business	9,755	13,523	(763)	(410)
Total	<u>174,000</u>	<u>199,197</u>	<u>(15,239)</u>	<u>(32,175)</u>
Bank interest income			2,382	3,404
Unallocated other income and other gains and losses, net			(32)	1,132
Unallocated corporate expenses			<u>(11,740)</u>	<u>(11,895)</u>
Loss before taxation			<u>(24,629)</u>	<u>(39,534)</u>

All of the segment revenue reported above was from external customers.

Segment profit (loss) represents the profit earned/loss incurred by each segment without allocation of bank interest income, certain unallocated other income and other gains and losses, net and unallocated corporate expenses. This is the measure reported to the Group's executive directors for the purposes of resources allocation and assessment of segment performance.

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

	30.6.2025 HK\$'000 (Unaudited)	31.12.2024 HK\$'000 (Audited)
Segment assets		
Lending Business	28,729	30,977
Manufacturing and Sales Business	275,926	307,575
Music and Entertainment Business	6,165	6,016
Property Investment Business	168,051	160,525
Property Development Business	353,298	336,292
Securities Trading Business	11,163	9,832
Trading Business	8,976	9,419
	<hr/>	<hr/>
Total segment assets	852,308	860,636
Other assets	214,598	216,457
	<hr/>	<hr/>
Consolidated assets	1,066,906	1,077,093
	<hr/> <hr/>	<hr/> <hr/>
	30.6.2025 HK\$'000 (Unaudited)	31.12.2024 HK\$'000 (Audited)
Segment liabilities		
Lending Business	443	446
Manufacturing and Sales Business	205,932	229,703
Music and Entertainment Business	4,414	5,124
Property Investment Business	16,179	16,332
Property Development Business	202,449	167,935
Securities Trading Business	50	50
Trading Business	3,597	7,740
	<hr/>	<hr/>
Total segment liabilities	433,064	427,330
Other liabilities	20,319	23,973
	<hr/>	<hr/>
Consolidated liabilities	453,383	451,303
	<hr/> <hr/>	<hr/> <hr/>

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

- all assets are allocated to operating and reportable segments other than certain property and equipment, certain interest in a joint venture, certain equity instruments at FVTOCI, club membership, deferred tax assets, certain other receivables, prepayments and deposits, tax recoverable, short-term bank deposits and cash and cash equivalents.
- all liabilities are allocated to operating and reportable segments other than certain other payables and accruals, tax liabilities and deferred tax liabilities.

5. FINANCE COSTS

	Six months ended	
	30.6.2025	30.6.2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interest expense on:		
Lease liabilities	1,129	946
Bank borrowings	<u>2,468</u>	<u>2,202</u>
	<u>3,597</u>	<u>3,148</u>

6. TAXATION CREDIT (CHARGE)

	Six months ended	
	30.6.2025	30.6.2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
The taxation charge comprises:		
PRC Enterprise Income Tax charge for the period	(764)	(575)
Deferred tax credit	<u>2,559</u>	<u>—</u>
Taxation credit (charge)	<u>1,795</u>	<u>(575)</u>

Under the two-tiered profits tax rates regime in Hong Kong, 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%.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the condensed consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

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

7. LOSS FOR THE PERIOD

Six months ended	
30.6.2025	30.6.2024
<i>HK\$'000</i>	<i>HK\$'000</i>
(Unaudited)	(Unaudited)

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

Depreciation of right-of-use assets	6,612	6,477
Depreciation of other property, plant and equipment	6,546	9,317
Depreciation of property, plant and equipment	13,158	15,794
Included in other gains and losses, net:		
Net foreign exchange gain	(400)	(147)
(Increase) decrease in fair value in financial assets at FVTPL	(1,358)	3,683
Decrease in fair value in investment properties	4,021	12,684
	2,263	16,220

8. DIVIDENDS

No dividends were paid, declared or proposed during both interim periods. The directors of the Company did not recommend the payment of an interim dividend in respect of the current interim period.

9. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company for both interim periods is based on the following data:

	Six months ended	
	30.6.2025	30.6.2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company for the purpose of calculating basic loss per share	<u>(22,602)</u>	<u>(40,056)</u>
	Six months ended	
	30.6.2025	30.6.2024
	(Unaudited)	(Unaudited)
Number of shares		
Number of shares in issue for the purpose of basic loss per share	<u>253,359,456</u>	<u>253,359,456</u>

No diluted loss per share has been presented as there were no potential ordinary shares in issue for both periods.

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT/INVESTMENT PROPERTIES

Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired property, plant and equipment of approximately HK\$1,892,000 (six months ended 30 June 2024: approximately HK\$546,000).

Investment properties

The fair value of investment properties as at 30 June 2025 and 31 December 2024 were arrived at on the basis of valuations carried out by Peak Vision Appraisals Limited, independent qualified professional valuers not related to the Group, on properties located in Hong Kong and the PRC.

The fair value of investment properties was determined based on income capitalisation approach deriving from the market rentals of all lettable units of the properties and discounting at the market yield expected by investors.

The decrease in fair value of approximately HK\$4,021,000 (six months ended 30 June 2024: decrease in fair value of approximately HK\$12,684,000) of investment properties has been recognised directly in profit or loss for the six months ended 30 June 2025. The decrease is resulted from the decrease in the market rental transactions of comparable properties.

During the period ended 30 June 2025, the management of the Group has changed the use for certain properties for sale to leasing out for rental income with the inception of operating leases. The properties for sale with carrying amount of approximately HK\$5,417,000 are transferred from properties for sale to investment properties at the date of transfer. Upon the date of transfer, the fair value of the properties was HK\$5,176,000 and the difference of approximately HK\$241,000 (with exchange adjustment of approximately HK\$82,000) between the carrying amount and the fair value of the properties is recognised in profit or loss.

As at 30 June 2025, investment properties with an aggregate carrying value of HK\$96,650,000 (31 December 2024: approximately HK\$92,791,000) were pledged to banks to secure bank borrowings and general banking facilities granted to the Group.

11. PROPERTIES UNDER DEVELOPMENT FOR SALE/PROPERTIES FOR SALE

	30.06.2025 <i>HK\$'000</i> (Unaudited)	31.12.2024 <i>HK\$'000</i> (Audited)
Properties under development for sale	227,543	231,224
Properties for sale	<u>93,529</u>	<u>78,934</u>
	<u>321,072</u>	<u>310,158</u>

The properties under development for sale of the Group are situated on lands located in the PRC.

Properties under development for sale include, among others, two commercial land parcels in Qingyuan, the PRC (the “**Qingyuan Land**”) owned by 清遠市中清房地產開發有限公司 (unofficial English name: Qingyuan Zhongqing Property Development Company Limited) (“**Zhongqing**”), a non-wholly-owned subsidiary of the Company, with the carrying amount of approximately HK\$36,925,000 (31 December 2024: HK\$35,885,000).

On 18 June 2014, 深圳市中星國盛投資發展有限公司 (unofficial English name: Shenzhen Zhongxing Guosheng Investment Development Company Limited) (“**Zhongxing Guosheng**”), a wholly-owned subsidiary of the Company and the immediate holding company of Zhongqing, initiated civil proceedings against Zhongqing in the People’s Court of Baoan District, Shenzhen (the “**Court**”) for the repayment of the shareholder’s loan owing to Zhongxing Guosheng of RMB23,479,330. On 19 June 2014, pursuant to an application made by Zhongxing Guosheng to freeze and preserve assets of Zhongqing in the total value of RMB23,400,000, an order was granted by the Court to freeze and preserve the Qingyuan Land during the period from 24 June 2014 to 23 June 2016 (“**Freeze Order**”).

On 15 October 2014, the Group received the civil mediation document issued by the Court that (i) both Zhongqing and the Group confirmed the shareholder’s loan was in the sum of RMB23,479,330; (ii) Zhongqing agreed to repay to Zhongxing Guosheng the sum of RMB23,479,330 together with the interests accrued from 18 June 2014 until the date of repayment within 15 days after the effective date of the civil mediation document (i.e. 15 October 2014); and (iii) if Zhongqing fails to repay the amount stated in (ii) in full on time, the Group has the right to request Zhongqing to pay default interests calculated at two times of the lending rate of the People’s Bank of China over the same period.

Zhongqing failed to repay the outstanding shareholder's loan and accrued interests to Zhongxing Guosheng in accordance with the civil mediation document. On 27 May 2016, Zhongxing Guosheng submitted an application to the Court for the extension of the term of the Freeze Order. The Freeze Order was extended for the period from 13 June 2016 to 12 June 2019. Subsequently, it was further extended to 12 May 2022, and then further extended to 12 May 2025. Most recently, during the six months ended 30 June 2025, the Freeze Order was extended again to 12 May 2028.

In 2022, the Group intended to commence the compulsory enforcement proceedings against Zhongqing to put the Qingyuan Land for sales in an auction (the “**Compulsory Enforcement**”). Further details of the Compulsory Enforcement were disclosed in the circular of the Company dated 24 June 2022. The shareholders of the Company passed the resolution to approve the Compulsory Enforcement at the special general meeting of the Company held on 15 July 2022. The Group submitted the application to the Court to commence the Compulsory Enforcement in July 2022 and all internal verification procedures were completed by the Court in 2023. However, due to the downturn of the property development market in the PRC since late 2023, the Company decided to suspend further action for the time being after careful consideration.

During the six months ended 30 June 2025, total additions to the properties under development for sale is approximately HK\$8,512,000 (2024: six months ended 30 June 2024: HK\$81,625,000).

Properties under development for sale/properties for sale with aggregate carrying value of approximately HK\$42,870,000 (31 December 2024: HK\$43,255,000) have been pledged to a PRC bank to secure bank borrowings granted to the Group.

12. EQUITY INSTRUMENTS AT FVTOCI/FINANCIAL ASSETS AT FVTPL

Equity instruments at FVTOCI

	30.6.2025 <i>HK\$'000</i> (Unaudited)	31.12.2024 <i>HK\$'000</i> (Audited)
Unlisted equity securities established in Hong Kong, the PRC and overseas (<i>note</i>)	<u>13,176</u>	<u>13,088</u>

Note: As at 30 June 2025 and 31 December 2024, the Group had long term strategic investments in three unlisted equity securities established in the PRC, three unlisted equity securities in overseas and one unlisted equity security incorporated in Hong Kong.

Financial assets at FVTPL

	30.6.2025 <i>HK\$'000</i> (Unaudited)	31.12.2024 <i>HK\$'000</i> (Audited)
Listed equity investments in Hong Kong	<u>10,984</u>	<u>9,488</u>

13. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

The Group's credit terms granted in Manufacturing and Sales Business and Trading Business generally range from 60 to 90 days. Credit term of 120 days is granted to few customers of the Manufacturing and Sales Business with whom the Group has a good business relationship and are in sound financial condition. The Group allows an average credit period of 60 to 90 days to its customers of the Music and Entertainment Business.

The following is an ageing analysis of the trade receivables, net of allowance for expected credit losses, presented based on the invoice date:

	30.6.2025 HK\$'000 (Unaudited)	31.12.2024 <i>HK\$'000</i> (Audited)
Manufacturing and Sales Business and Trading Business:		
0 – 30 days	78,543	68,655
31 – 60 days	8,899	29,491
61 – 90 days	3,560	15,207
Over 90 days	14,347	5,690
	105,349	119,043
Music and Entertainment Business:		
0 – 30 days	576	439
31 – 60 days	8	–
Over 90 days	4	9
	588	448
Property Development Business:		
0 – 30 days	–	9,324
Property Investment Business:		
0 – 30 days	1,409	131
31 – 60 days	–	131
61 – 90 days	–	131
Over 90 days	–	525
	1,409	918
Total trade receivables	107,346	129,733
Receivables from brokers' houses	135	298
Deposits and other receivables	12,595	13,393
Other tax recoverable	29,033	22,901
Prepayments	10,405	9,869
	159,514	176,194
Analysed for reporting purposes as:		
Current assets	154,037	170,793
Non-current assets	5,477	5,401
	159,514	176,194

14. TRADE AND OTHER PAYABLES AND ACCRUALS/AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

An ageing analysis of the trade payables presented based on the invoice date is as follows:

	30.6.2025	31.12.2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Audited)
0 – 30 days	40,325	46,847
31 – 60 days	4,770	4,393
61 – 90 days	2,978	1,645
Over 90 days	3,650	3,143
	51,723	56,028
Construction cost payable for properties under development for sale aged 0-30 days	425	1,528
Total trade payables	52,148	57,556
Accrued construction costs for properties under development for sale	85,459	102,352
Accrued expenses and other payables	35,344	34,427
	172,951	194,335

The amount due to a non-controlling shareholder of a subsidiary is unsecured, interest-free and repayable on demand.

15. CONTRACT LIABILITIES

	<i>Notes</i>	30.6.2025 <i>HK\$'000</i> (Unaudited)	31.12.2024 <i>HK\$'000</i> (Audited)
Contract liabilities from Trading Business	(i)	484	146
Contract liabilities from Music and Entertainment Business	(ii)	375	1,129
Contract liabilities from Manufacturing and Sales Business	(iii)	4,152	3,017
Contract liabilities from Property Development Business	(iv)	56,782	16,227
		61,793	20,519

Notes:

Contract liabilities are classified as current liabilities because the Group expects to recognise the related revenue when the respective performance obligations are fulfilled within 12 months after the end of the reporting period.

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

- (i) When the Group receives a deposit before delivery of the printing products, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the specific contract exceeds the amount of the deposit. The Group receives a 10% to 30% deposit on acceptance of orders for trading of printing products from certain customers.
- (ii) When the Group receives a deposit before the completion of concert and show, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the specific contract exceeds the amount of the deposit. The Group receives a 10% to 30% deposit from certain customers when the contract for concert and show is signed.

- (iii) When the Group receives a deposit before the manufacturing of printing product commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit. The Group receives a 10% to 50% deposit on acceptance of manufacturing orders from certain customers.
- (iv) The Group typically receives a 20% to 30% deposit upon signing the sales and purchase agreement with customers for the sale of properties and further receives the remaining balance when the mortgage loans are granted to the property purchasers. Contract liabilities are recognised throughout the property construction period until the customer obtains control of the completed properties. During the six months ended 30 June 2025, the increment in contract liabilities represents the additional deposits received from the customers in respect of the sales and purchase agreement signed as at 30 June 2025.

16. FINANCIAL GUARANTEES

During the six months ended 30 June 2025, 中大印刷(清遠)有限公司 (unofficial English name: Zhongda Printing (Qingyuan) Company Limited) (“**Zhongda Qingyuan**”), a wholly-owned subsidiary of the Company, entered into cooperation agreements with banks, pursuant to which Zhongda Qingyuan agreed to provide the transitional guarantees for the mortgage loans granted to the purchasers of properties under development for sale. Accordingly, the Group maybe required to pay an amount equivalent to 6% to 12% of the amount guaranteed as pledged bank deposits. As at 30 June 2025, the guarantees given to banks by the Group in respect of the mortgage loans granted to property purchasers amounted to approximately HK\$56,930,000 (31 December 2024: HK\$18,020,000) and the pledged bank deposits paid to the banks amounted to approximately HK\$4,919,000 (31 December 2024: HK\$1,504,000).

The Group assessed that the fair value at initial recognition of the financial guarantees was insignificant. Based on the assessment of the management, the loss given default under these contracts and the expected credit loss related to the financial guarantees are insignificant as at 30 June 2025 and 31 December 2024 in view of the fair value of the respective properties under development for sale.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (six months ended 30 June 2024: Nil).

REVIEW OF OVERALL FINANCIAL RESULTS

For the Period, revenue of the Group amounted to approximately HK\$174.0 million (six months ended 30 June 2024: approximately HK\$199.2 million), representing a decrease of approximately 12.6% as compared with that for the six months ended 30 June 2024.

Gross profit for the Period amounted to approximately HK\$35.9 million (six months ended 30 June 2024: approximately HK\$43.5 million). The gross profit margin decreased by approximately 1.2 percentage points to approximately 20.6% for the Period (six months ended 30 June 2024: approximately 21.8%).

Loss for the Period amounted to approximately HK\$22.8 million (six months ended 30 June 2024: approximately HK\$40.1 million). The loss recorded for the Period was mainly attributable to: (i) a segment loss recorded in the Manufacturing and Sales Business of approximately HK\$5.1 million (six months ended 30 June 2024: approximately HK\$8.6 million); (ii) a segment loss recorded in the Property Development Business of approximately HK\$5.9 million (six months ended 30 June 2024: approximately HK\$7.0 million); and (iii) a segment loss recorded in the Property Investment Business of approximately HK\$4.2 million (six months ended 30 June 2024: approximately HK\$12.2 million). The financial performance of the Group's various business segments is further explained below.

REVIEW OF OPERATIONS AND PROSPECTS

Lending Business

The Lending Business mainly refers to the Group's money lending business in Hong Kong.

The Group's money lending business in Hong Kong is carried out by Grand Prospects Finance International Limited (華泰財務國際有限公司) ("**Grand Prospects**"), a wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability and a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

All loan applications from potential customers are reviewed and approved by the responsible officer in accordance with Grand Prospects' internal loan approval guidelines (the "**Internal Guidelines**"). To assess whether a loan application should be approved, the responsible officer will (i) collect and verify the required information and supporting documents including but not limited to identity documents, bank statements, business registration documents, organisational chart and financial statements, etc. from the potential customers; and (ii) assess the value and quality of the collaterals that the potential customers intend to provide (if any). Due diligence search on the borrowers and collateral will also be conducted if necessary.

If the responsible officer intends to grant a loan upon the completion of the entire credit approval process, he/she will determine the terms of the loan in accordance with the Internal Guidelines and with reference to various factors including but not limited to the background and creditworthiness of the customers, nature and value of the collateral provided (if any), the prevailing market interest rate and other relevant factors as the responsible officer deems appropriate. Thereafter, loan documents will be prepared accordingly and customers are required to provide signed and post-dated bank cheques in accordance with the repayment schedules set out in the loan documents.

In the event that the highest applicable percentage ratio (as defined under the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**")) in respect of a grant of loan exceeds 5%, the loan application will be forwarded to the Board and a meeting of the Board will be convened to consider and, if thought fit, approve the same.

Periodic assessments will be conducted on the recoverability of the loans granted based on the creditworthiness of the customers, taking into account their history of default (if any), ability to make timely payment of interest during the tenure of the loans and the loan-to-collateral ratios, to ensure appropriate follow-up action be taken to avoid potential exposure to credit risks. Generally, a reminder letter will be issued to the customer in the event of default. Depending on the circumstances, if a loan is overdue for more than two months, Grand Prospects may consider taking legal actions.

As at 30 June 2025, there were 7 borrowers in total, which consisted of 2 corporate entities and 5 individuals. The aggregate carrying amount of the loans receivable from corporate borrowers and individual borrowers was approximately HK\$23.8 million and approximately HK\$4.9 million respectively. All loans receivable were secured either by charge over properties located in Hong Kong, share pledge or personal guarantee.

The total amount of new loans granted during the Period was approximately HK\$6.1 million, and the average interest rate of the Group's loan portfolio was approximately 18% per annum. During the Period, the interest income from loans decreased by approximately 62.7% to approximately HK\$880,000 (six months ended 30 June 2024: approximately HK\$2.4 million). The decrease in loan interest income was mainly attributable to (i) the decrease in loan portfolio during the Period; and (ii) a temporary halt in interest accrual on certain loans that matured during the Period and were under negotiation for renewal or repayment. The segment loss of the Period was approximately HK\$337,000 (six months ended 30 June 2024: segment gain of approximately HK\$1.3 million) which was mainly due to the decrease in loan interest income during the Period.

As at 30 June 2025, the Group has taken legal actions against several borrowers of loans receivable with an aggregate principal amount of approximately HK\$27.2 million, of which an impairment loss of approximately HK\$24.2 million has been provided in previous financial years. The court judgements have been granted in respect of the loans receivable of approximately HK\$27.2 million and no settlement has been made as at 30 June 2025. The Board will provide further update to the shareholders of the Company (the “**Shareholders**”) as and when appropriate.

As at 30 June 2025, the loans receivable had contractual maturity within one to five years (30 June 2024: one to ten years), details of which were as follows:

	<i>HK\$'000</i>
Within one year	28,239
More than one year but not more than two years	210
More than two years but not more than five years	<u>277</u>
	<u><u>28,726</u></u>

In light of keen market competition, the Group will take calculated risks when expanding the loan portfolio of the Lending Business. The Group will continue to cooperate with other money lending companies and offer more borrowing and collateral options to attract more new customers. In response to the evolving market conditions, the Group will allocate financial resources among all its operating segments strategically and expand the business scale by enlarging the loan portfolio in a prudent manner.

Manufacturing and Sales Business

The segment revenue decreased by approximately 11.2% to HK\$157.8 million (six months ended 30 June 2024: approximately HK\$177.7 million), which was mainly attributable to the decrease in sales orders of packaging and label products from both overseas and domestic clients. The decrease in sales orders was mainly due to (i) the reciprocal tariff imposed by the government of the United States of America (the “US”) in April 2025, which caused certain customers to postpone or shift their sales orders to non-PRC printing companies; (ii) intensified competition in the domestic printing market of the PRC; and (iii) reduced consumer purchasing power, which weakened the sales performance of some of the Group’s customers and, consequently, their demand for printing products.

The Manufacturing and Sales Business recorded a segment loss of approximately HK\$5.1 million for the Period as compared to a loss of approximately HK\$8.6 million for the six months ended 30 June 2024. This improvement occurred despite a slight decrease in the segment gross profit margin, which fell by 0.9 percentage points to approximately 17.0% for the Period (six months ended 30 June 2024: approximately 17.9%). The lower segment gross profit margin was primarily due to an approximately 5.4% increase in total manufacturing staff costs and other related expenses as compared with the same period last year, which outweighed the benefit of an approximately 5.2% reduction in overall material consumption rate. The key driver of the improved result was a one-time bad debt recovery from a US customer of approximately HK\$5.0 million which had been fully impaired in previous years.

Looking ahead, this business is expected to continue facing multiple challenges and opportunities as the global market remains overshadowed by economic and political uncertainties – particularly the uncertainties surrounding tariff arrangements between the PRC and the US, as well as the escalating tensions between the PRC and other countries. These factors are likely to further shift product manufacturing from the PRC to other regions, negatively impacting the export sales of printing products. Meanwhile, the competitive landscape for printing companies in the PRC is expected to become increasingly intense.

To address these uncertainties and capitalise on emerging opportunities, the Group is implementing various measures to enhance production efficiency and increase the overall competitiveness of its products. These measures include, but are not limited to, reducing overall operating costs, strengthening sourcing capabilities, and streamlining operational workflows to minimise production and operational waste.

In addition, the Group continues to expand its sales force both in the PRC and overseas to maximise order acquisition across various countries and target industries and to pursue cooperation opportunities with potential business partners abroad. Furthermore, to ensure effective credit control over receivables, the Group will closely monitor collections, remain vigilant against potential bad debt risks, and maintain sufficient cash flow to manage any sudden or prolonged adverse situations beyond expectations, while remaining prepared to seize future opportunities.

Music and Entertainment Business

The segment revenue for the Period decreased by approximately 8.2% to approximately HK\$1.7 million (six months ended 30 June 2024: approximately HK\$1.8 million), while the loss for the Period was approximately HK\$52,000 (six months ended 30 June 2024: loss of approximately HK\$1.4 million).

During the Period, the decrease in revenue was mainly due to the decrease in sales of album and income generated from organising events. The substantial decrease in segment loss was mainly driven by an improved gross profit margin and lower operating expenses, resulting from cost-cutting initiatives.

Looking forward, the Group will continue to allocate resources to expand the musical works licensing business and organise events in Hong Kong and in the Greater Bay Area of the PRC.

Property Development Business

The Group had two property development projects as at 30 June 2025. During the Period, these two projects were carried out by 清遠市中清房地產開發有限公司 (unofficial English name: Qingyuan Zhongqing Property Development Company Limited) (“**Zhongqing**”), a non-wholly owned subsidiary of the Company, and 中大印刷(清遠)有限公司 (unofficial English name: Zhongda Printing (Qingyuan) Company Limited) (“**Zhongda Qingyuan**”), a wholly-owned subsidiary of the Company.

Zhongqing

Zhongqing held the land use rights of two commercial land parcels in Qingyuan City, the PRC (the “**Qingyuan Land**”). On 18 June 2014, 深圳市中星國盛投資發展有限公司 (unofficial English name: Shenzhen Zhongxing Guosheng Investment Development Company Limited) (“**Zhongxing Guosheng**”), a wholly-owned subsidiary of the Company, initiated civil proceedings against Zhongqing in the People’s Court of Baoan District, Shenzhen (the “**Court**”) for, among other matters, the repayment of the shareholder’s loan contributed by Zhongxing Guosheng in an amount of RMB23,479,330. On 19 June 2014, according to an application made by Zhongxing Guosheng to freeze and preserve the assets of Zhongqing in a total value of RMB23,400,000, an order was granted by the Court to freeze and preserve the Qingyuan Land for a period from 24 June 2014 to 23 June 2016 (the “**Freeze Order**”). The Freeze Order aimed to ensure that Zhongqing would have sufficient assets to repay the shareholder’s loan to the Group.

Following two court hearings, a civil mediation document was issued by the Court in which Zhongqing acknowledged the debt and agreed to repay the debt together with interests by 30 October 2014 (being 15 days after the effective date of the civil mediation document). However, Zhongqing failed to make the repayment by the stipulated deadline. On application of Zhongxing Guosheng, the Freeze Order has been extended multiple times, most recently until 12 May 2028.

After obtaining the approval of the Shareholders at the special general meeting of the Company held on 15 July 2022, the Group submitted the application to the Court to commence the compulsory enforcement proceedings against Zhongqing to put the Qingyuan Land for sales in an auction (the “**Compulsory Enforcement**”). Further details of the Compulsory Enforcement were disclosed in the circular of the Company dated 24 June 2022. The Court has completed all internal verification procedures regarding the Qingyuan Land with various relevant government departments in Qingyuan City in 2023. However, due to the downturn of the property development market in the PRC, the Company decided to suspend further action for the time being after careful consideration. The Company will closely monitor the property market conditions in the PRC and will commence the auction if considered appropriate.

Furthermore, the Group is actively exploring potential business opportunities related to the Qingyuan Land. The Company will provide further update to the Shareholders as and when appropriate.

Zhongda Qingyuan

The Group, through Zhongda Qingyuan, owns a land parcel in Qingyuan City, the PRC, with a total area of approximately 208,000 square metres (“**sq.m.**”), and is developing an industrial park (the “**Zhongxing Industrial Park**”) with an array of industrial buildings, commercial buildings, apartments and dormitories. The buildings thereon are intended for lease or sales. The development plan was approved by the Guangdong Qingyuan High-Tech Industrial Development Zone Management Committee Office in March 2020 and was highly supported by the Qingyuan Government.

Construction status:

As at 30 June 2025, the total construction area of the Zhongxing Industrial Park was approximately 183,000 sq.m., of which approximately 70% of the construction work was completed and examined by an independent construction company engaged by Zhongda Qingyuan. The Group expected that an additional of approximately 7% of the construction work will be completed in 2025. The total construction area of approximately 183,000 sq.m. as mentioned above represents around 35% of the estimated total developable area of the Zhongxing Industrial Park. The Group expects the construction work of the remaining areas to commence in a phased manner, subject to market condition and necessary approval.

Sales status:

During the Period, Zhongda Qingyuan has signed several binding agreements with purchasers regarding a total gross floor area of approximately 3,300 sq.m. which consisted of certain floors of industrial buildings. No revenue was recognised during the Period. The Group expects to deliver several industrial buildings and dormitories with a total gross floor area of approximately 24,000 sq.m. in the second half of 2025.

As at 30 June 2025, property ownership certificates for a total gross floor areas of approximately 56,000 sq.m. were issued by the government authority, representing approximately 67.0% of the total gross floor areas that had been delivered to the purchasers. The relevant mortgage registrations over those properties have been completed by banks and the related transitional guarantees provided by Zhongda Qingyuan have been released.

As at 30 June 2025, the Group had contingent liabilities of approximately HK\$56.9 million (31 December 2024: approximately HK\$18.0 million) relating to the transitional guarantees given by Zhongda Qingyuan in favour of the mortgage banks while the related property ownership certificates have not yet been issued.

Looking forward, the Group will continue to devote more resources in the sales and marketing initiatives for the Zhongxing Industrial Park, such as organising more group and individual visiting tours for potential customers, and providing enhanced incentives to property agents to drive sales performance. Furthermore, the Group will introduce more retail shops, such as restaurants and supermarkets, in the Zhongxing Industrial Park, with an aim to enhance amenities for people working there. Additionally, the Group will actively pursue new collaboration opportunities with potential business partners.

During the Period, the Group also kept identifying potential property development and management projects proactively in the PRC.

Property Investment Business

During the Period, the Property Investment Business included the leasing of several commercial units, industrial building and dormitories in Hong Kong and the PRC.

This business involved four properties of the Group as at 30 June 2025 (30 June 2024: three). The first one was a commercial property situated in Yuen Long, Hong Kong (the “**Yuen Long Property**”), which has been leased to a connected person (having the meaning ascribed to it under the Listing Rules) since 1 August 2023 to operate a karaoke outlet. The second one was a commercial property situated in Beijing, the PRC, which has been leased to an independent third party. The third one was a block of industrial building of the Group’s self-owned factory situated in Shenzhen, the PRC (the “**Shenzhen Property**”), which has been leased to an independent third party since December 2023. The fourth one were the properties in the Zhongxing Industrial Park (the “**Qingyuan Property**”).

During the Period, Zhongda Qingyuan entered into several rental agreements with independent third parties to lease certain floors of industrial building, living quarters and shops within the dormitory in the Zhongxing Industrial Park. The areas being leased for longer term or under negotiation have been reclassified to investment properties from properties for sales as at 30 June 2025.

The total rental income arising from the leasing of these properties was approximately HK\$3.9 million (30 June 2024: approximately HK\$3.8 million). The increase in rental income was mainly due to an increase in rental income arising from the Qingyuan Property but was partially offset by a decrease in rental income from the Shenzhen Property and the Yuen Long Property, mainly due to rental concessions granted to tenants during the Period.

According to the Group’s accounting policies, all four properties were classified as investment properties and were carried at fair value as at 30 June 2025. A fair value loss of approximately HK\$4.0 million was recorded in “other gains and losses” during the Period (six months ended 30 June 2024: approximately HK\$12.7 million). The fair value loss for the Period was mainly due to a decrease in fair value of the Qingyuan Property, driven by a decline in both its market value and the rental value of adjacent locations.

No material fluctuation is expected for this business and the Group will continue to monitor the market condition in Hong Kong and the PRC and adjust its strategies, if necessary.

Securities Trading and Equity Investments Business

The Group's equity instruments at fair value through other comprehensive income and financial assets at fair value through profit or loss as at 30 June 2025 amounted to approximately HK\$24.2 million (31 December 2024: approximately HK\$22.6 million). During the Period, the Group recorded a fair value gain in investments of securities listed in Hong Kong of approximately HK\$1.4 million which was recorded in "other gains and losses" (six months ended 30 June 2024: fair value loss of approximately HK\$3.7 million). A realised gain of approximately HK\$387,000 was recorded during the Period (six months ended 30 June 2024: Nil).

The Group's investments as at 30 June 2025 included investment in securities of 11 companies listed on the Main Board or GEM of the Stock Exchange, an offshore investment fund and a Hong Kong private company. Each of the Group's investments has a carrying amount that accounts for less than 5% of the Group's total assets as at 30 June 2025. The top five largest investments amounted to approximately HK\$19.7 million, representing 1.8% of the Group's unaudited total assets as at 30 June 2025.

The largest investment was the investment in an offshore investment fund named Zhong Wei Capital L.P. ("**Zhong Wei**"), which represented 1.33% of the total share capital of Zhong Wei. Zhong Wei has invested in various entities including public and private entities incorporated in Hong Kong, the PRC, Indonesia and Singapore. These entities are principally engaged in, including but not limited to, intelligence technology, energy, healthcare, recreational and financial technological sectors. Its fair value as at 30 June 2025 amounted to approximately HK\$8.5 million, accounting for approximately 0.8% of the Group's unaudited total assets as at 30 June 2025.

The second to fifth largest investments were the investment in Wang On Group Limited (a company listed on the Main Board of the Stock Exchange with stock code 01222), Wang On Properties Limited (a company listed on the Main Board of the Stock Exchange with stock code 01243), Beijing Fourth Paradigm Technology Co., Ltd (a company listed on the Main Board of the Stock Exchange with stock code 06682) and a private company incorporated in the PRC principally engaged in trading of medical skincare equipment and entertainment business in the PRC.

The Group will carefully study the market and the information related to prospective investees before dealing in any securities, and will closely monitor the performance of the investments upon subscription and adjust its investment strategy in a cautious manner as and when necessary to minimize the impact of market volatility.

Trading Business

Revenue from the Trading Business decreased to approximately HK\$9.8 million (six months ended 30 June 2024: approximately HK\$13.5 million) while a segment loss of approximately HK\$763,000 was recorded during the Period (six months ended 30 June 2024: approximately HK\$410,000). The increase in segment loss during the Period was mainly attributable to the decrease in revenue and gross profit margin derived from Hong Kong customers as compared with the same period last year.

The Group will continue to allocate more resources to expand and develop the sales team in Hong Kong, overseas and the PRC, so as to broaden the clientele, optimise the product mix and provide more value-added services to the existing and target customers.

LIQUIDITY, CAPITAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2025, the Group had cash and cash equivalents, pledged bank deposits and short-term bank deposits of approximately HK\$180.9 million (31 December 2024: approximately HK\$182.1 million). The current ratio stood at 2.0 times (31 December 2024: 2.0 times) and the quick ratio was 1.1 times as at 30 June 2025 (31 December 2024: 1.1 times).

The current ratio is calculated by dividing total current assets by total current liabilities as at the end of the Period.

The quick ratio is calculated by dividing total current assets less inventories and properties under development for sale/properties for sale by total current liabilities as at the end of the Period.

The current ratio and the quick ratio as at 30 June 2025 remained constant as compared with the respective figures as at 31 December 2024.

As at 30 June 2025, the total borrowings of the Group amounted to approximately HK\$199.2 million (31 December 2024: approximately HK\$213.4 million). The gearing ratio was 32.5% as at 30 June 2025 (31 December 2024: 34.1%), which was calculated by dividing the Group's total borrowings by the Group's total equity of approximately HK\$613.5 million as at 30 June 2025 (31 December 2024: approximately HK\$625.8 million) and then multiplying the value by 100%. The decrease in gearing ratio was mainly due to the decrease in bank borrowings of the Group.

The Group's total borrowings included: (i) an amount of approximately HK\$16.4 million due to a non-controlling shareholder of a subsidiary (31 December 2024: approximately HK\$15.9 million); (ii) secured bank borrowings of approximately HK\$125.7 million (31 December 2024: approximately HK\$131.3 million); (iii) unsecured bank borrowings of approximately HK\$12.7 million (31 December 2024: approximately HK\$16.1 million) and (iv) lease liabilities of approximately HK\$44.4 million (31 December 2024: approximately HK\$50.1 million).

Secured bank borrowings included (i) an amount of approximately HK\$29.5 million (31 December 2024: approximately HK\$31.5 million) payable within six years and carrying interest at the Hong Kong Inter-bank Offered Rate plus 1.85% per annum; (ii) an amount of approximately HK\$58.3 million (31 December 2024: approximately HK\$64.9 million) payable within one year and carrying interest at the Hong Kong Inter-bank Offered Rate plus 1.25% to 2.25% per annum; and (iii) an amount of approximately HK\$37.9 million (31 December 2024: approximately HK\$34.9 million) payable within three years and carrying interest at 5.98%. The unsecured bank borrowing included an aggregate amount of approximately HK\$12.7 million (31 December 2024: approximately HK\$16.1 million) payable within one year and carrying interest in a range of 1.45% to 1.75% per annum. Among the total bank borrowings, approximately HK\$87.8 million bears fixed interest rate and approximately HK\$50.6 million bears variable interest rate.

The amount due to a non-controlling shareholder of a subsidiary was unsecured, interest-free and repayable on demand. The weighted average lessee's incremental borrowing rate applied in lease liabilities was in a range of 2.98% to 5.88% per annum (31 December 2024: 2.98% to 5.88% per annum).

All borrowings were denominated in Hong Kong dollars (“**HK dollars**”) and RMB and the majority of cash and cash equivalents were denominated in RMB, HK dollars and United States dollars (“**US dollars**”), respectively.

The Group generally finances its operation with cash flows generated internally, bank borrowing and banking facilities obtained in Hong Kong and the PRC. Taking into account the anticipated amount of the funds generated internally and the available bank borrowing and banking facilities, the Group will have adequate resources to meet its future capital expenditure and working capital requirements. The Group will continue to implement a prudent policy in managing its cash balance, thereby maintaining a strong and healthy liquidity level and ensuring that any business opportunity will be promptly seized.

FOREIGN EXCHANGE RISK

The Group’s sales and purchases were principally denominated in RMB, HK dollars and US dollars, respectively. Except for RMB, there was no significant fluctuation in the exchange rate between HK dollars and US dollars throughout the Period. The management will closely monitor the foreign exchange risk of RMB and identify potential and significant adverse impacts (if any) that may affect the PRC operations of the Group. If necessary, the Group will consider using appropriate hedging solutions. The Group did not use any financial instrument for hedging purposes during the Period and did not have any outstanding hedging instrument as at 30 June 2025.

CAPITAL EXPENDITURE

During the Period, the Group’s capital expenditure for property, plant and equipment and properties under development for sale/properties for sale amounted to approximately HK\$10.4 million (six months ended 30 June 2024: approximately HK\$82.2 million). The capital expenditure was mainly attributable to the acquisitions of machinery for production in the PRC and the construction work of the Zhongxing Industrial Park.

CAPITAL COMMITMENTS

As at 30 June 2025, the Group had capital commitments of approximately HK\$95.8 million (31 December 2024: approximately HK\$111.1 million) which had been contracted for but had not been provided in the financial statements for the acquisition of property, plant and equipment and construction work in the Zhongxing Industrial Park. The Group did not have any capital commitment for the acquisition of property, plant and equipment that had been authorised but not contracted for in both periods. The Group expects to finance its capital commitments by internal resources and bank borrowing.

CONTINGENT LIABILITIES

As at 30 June 2025, the Group had contingent liabilities of approximately HK\$56.9 million (31 December 2024: approximately HK\$18.0 million) in respect of the transitional guarantees provided by Zhongda Qingyuan in favour of the mortgage banks for the purchasers of the industrial buildings of the Zhongxing Industrial Park.

PLEDGE OF ASSETS

As at 30 June 2025, the Group had pledged bank deposits, investment properties and properties under development for sales/properties for sales with an aggregate carrying value of approximately HK\$204.4 million (31 December 2024: approximately HK\$199.8 million) to secure the construction loan of the Zhongxing Industrial Park, the mortgage loan for certain investment properties, the general banking facilities granted to the Group and to secure the mortgage loans granted by the banks to the purchasers of the industrial buildings of the Zhongxing Industrial Park. Save as aforesaid, no other assets were pledged by the Group as at 30 June 2025.

SHARE CAPITAL AND CAPITAL STRUCTURE

There was no change in the share capital and capital structure of the Company during the Period.

As at 30 June 2025, the Company did not hold any treasury share.

HUMAN RESOURCES

As at 30 June 2025, the Group had approximately 930 full-time employees (31 December 2024: approximately 940). Total amount of staff costs (including Directors' remuneration) for the Period were approximately HK\$75.5 million (six months ended 30 June 2024: approximately HK\$74.9 million).

The remuneration schemes of the Group are generally structured with reference to market conditions and the qualifications of the employees, and the reward packages including discretionary bonus for staff members are generally reviewed on an annual basis according to the performance of the Group and respective staff members. Apart from salary payments and contributions to retirement benefit schemes, other staff benefits include participation in share option scheme and medical insurance for eligible employees. In-house and external training programmes are also provided as and when required.

EVENTS AFTER REPORTING PERIOD

There have been no significant events since the end of the Period and up to the date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, the Company has received confirmations from all Directors that they have complied with the required standards set out in the Model Code during the Period.

The Company has also adopted procedures on terms no less exacting than the Model Code in respect of the securities transactions by employees who are likely to be in possession of unpublished inside information of the Group.

AUDIT COMMITTEE

As at the date of this announcement, the audit committee of the Board (“**Audit Committee**”) comprises one non-executive Director and two independent non-executive Directors and they have reviewed with the management the accounting policies, discussed with the Board the auditing, internal controls, risk management and financial reporting matters of the Group and reviewed the interim results and the unaudited condensed consolidated financial statements of the Group for the Period.

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

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

CORPORATE GOVERNANCE

The Board is collectively responsible for performing the corporate governance duties. The Board recognises that good corporate governance practices are vital to the maintenance and promotion of shareholder value and investor confidence. In the opinion of the Board, the Company has complied with all the code provisions set out in the Corporate Governance Code (“**CG Code**”) contained in Part 2 of Appendix C1 to the Listing Rules throughout the Period.

The code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Since the end of the Period and up to the date of this announcement, Mr. Suek Ka Lun, Ernie (“**Mr. Ernie Suek**”) has taken up the roles of both Chairman of the Board and Chief Executive Officer (“**CEO**”) of the Company.

The Board believes that combining the roles of Chairman and CEO under the leadership of Mr. Ernie Suek provides enhanced strategic alignment, streamlines decision-making process, and accelerates the execution of the Company's key growth initiatives, particularly in the current dynamic market environment. Mr. Ernie Suek's deep understanding of the Company's operations and long-term strategy positions him ideally to lead both the Board and executive management effectively. The former CEO, Mr. Suek Chai Hong ("**Mr. CH Suek**"), continues to serve as an executive Director. In this capacity, Mr. CH Suek focuses on providing strategic guidance and leveraging his extensive and invaluable experience to support the Company's long-term development and governance. With the combined roles of Chairman and CEO, the Board remains fully committed to maintaining high standard of corporate governance.

REVIEW OF INTERIM RESULTS

The interim results of the Group for the Period have not been audited, but have been reviewed by the Audit Committee and the Group's auditors, Messrs. Deloitte Touche Tohmatsu, Registered Public Interest Entity Auditors.

PUBLICATION OF INTERIM REPORT ON THE STOCK EXCHANGE'S WEBSITE AND THE COMPANY'S WEBSITE

A detailed interim report of the Group for the Period will be published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.newaygroup.com.hk in September 2025.

On behalf of the Board
Neway Group Holdings Limited
Suek Ka Lun, Ernie
Chairman and Chief Executive Officer

Hong Kong, 29 August 2025

As at the date of this announcement, the Board comprises Mr. Suek Ka Lun, Ernie (Chairman and Chief Executive Officer) and Mr. Suek Chai Hong being the executive Directors; Dr. Ng Wai Kwan, Mr. Chan Kwing Choi, Warren and Mr. Wong Sun Fat being the non-executive Directors; and Mr. Lee Kwok Wan, Mr. Chu Gun Pui and Ms. Sin Chui Pik, Christine being the independent non-executive Directors.