太和控股有限公司
TAI UNITED HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 718)

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

The board of directors ("**Board**" or "**Directors**") of Tai United Holdings Limited ("**Company**") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, "**Group**") for the six months ended 30 June 2025 (the "**Reporting Period**") as follows:

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		
Contracts with customers		**48,216**	51,425
Leases		**16,540**	13,752
Interest income		**6**	613
Total revenue		**64,762**	65,790
Other income		**493**	644
Other (losses)/gains, net		**(6,074)**	1,469
Purchases and changes in inventories		**(22,763)**	(24,035)
Impairment losses recognised under expected credit loss model, net	5	**(48,623)**	(75,459)
Change in fair value of investment properties	11	**(83,052)**	(110,556)
Employee benefits expenses		**(13,424)**	(17,641)
Other operating expenses		**(27,120)**	(29,598)
Finance costs	6	**(76,768)**	(85,361)

		Six months ended 30 June	
		2025	2024
	Notes	***HK$'000***	*HK$'000*
		(unaudited)	(unaudited)
Loss before tax		**(212,569)**	(274,747)
Income tax credit	7	**14,301**	23,302
Loss for the period	8	**(198,268)**	(251,445)
Other comprehensive expense for the period:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(49,805)**	(3,912)
Total comprehensive expense for the period		**(248,073)**	(255,357)
(Loss)/profit for the period attributable to:			
Owners of the Company		**(198,704)**	(251,734)
Non-controlling interests		**436**	289
		(198,268)	(251,445)
Total comprehensive (expense)/income for the period attributable to:			
Owners of the Company		**(248,506)**	(255,651)
Non-controlling interests		**433**	294
		(248,073)	(255,357)
Loss per share			
– Basic *(HK cents)*	10	**(3.78)**	(4.79)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

	Notes	30 June 2025 HK$'000 (unaudited)	31 December 2024 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**1,304**	1,642
Investment properties	11	**1,285,669**	1,331,445
Intangible assets		**26,751**	31,001
Mining rights		**–**	–
Right-of-use assets		**1,564**	2,547
Non-current deposits		**363**	363
Other non-current assets		**6,000**	6,000
		1,321,651	1,372,998
Current assets			
Inventories		**1,271**	1,751
Accounts receivable	12	**8,745**	5,525
Other receivables, deposits and prepayments		**22,606**	25,910
Restricted bank deposits		**10,084**	11,444
Bank balances and cash		**78,010**	352,861
		120,716	397,491
Current liabilities			
Accounts payable	13	**–**	7,719
Accrued liabilities and other payables		**861,682**	770,647
Borrowings	14	**1,472,160**	1,435,320
Lease liabilities		**994**	1,108
Tax payables		**21,491**	21,491
Financial guarantee contracts		**1,002,312**	1,187,380
		3,358,639	3,423,665
Net current liabilities		**(3,237,923)**	(3,026,174)
Total assets less current liabilities		**(1,916,272)**	(1,653,176)

	Notes	**30 June 2025** **HK$'000** **(unaudited)**	31 December 2024 *HK$'000* (audited)
Non-current liabilities			
Deferred tax liabilities		**67,134**	81,745
Lease liabilities		**1,099**	1,511
		68,233	83,256
Net liabilities		**(1,984,505)**	(1,736,432)
Capital and reserves			
Share capital	15	**262,501**	262,501
Reserves		**(2,248,159)**	(1,999,653)
Deficit attributable to owners of the Company		**(1,985,658)**	(1,737,152)
Non-controlling interests		**1,153**	720
Capital deficiency		**(1,984,505)**	(1,736,432)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL INFORMATION

Tai United Holdings Limited (the "**Company**") is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). In the opinion of the directors of the Company, the Company's immediate holding company is Songbird SG PTE. Ltd., a company incorporated in Singapore with limited liability and its ultimate holding company is Satinu Resources Group Ltd., a company incorporated in the British Virgin Islands ("**BVI**") with limited liability. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of the Company is Unit 2101–02, 21/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong.

The Company is an investment holding company and the principal activities of the Company's subsidiaries (together with the Company, collectively referred to "**the Group**") are property investment, sales of medical equipment, sales of flooring materials, mining and exploration of natural resources and financial services and asset management.

The condensed consolidated financial statements are presented in Hong Kong Dollars ("**HK$**"), which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Going concern assessment

In preparing the condensed consolidated financial statements, the directors of the Company have given consideration to the future liquidity of the Group in light of the following conditions. The Group incurred a net loss of approximately HK$198,268,000 for the six months ended 30 June 2025 and as of that date, the Group has net current liabilities of approximately HK$3,237,923,000 and net liabilities of approximately HK$1,984,505,000 including overdue bank borrowings of approximately HK$1,471,430,000 and accrued interest of approximately HK$630,170,000 which have not yet been successfully renewed, extended or repaid during the six months ended 30 June 2025 and up to the date of approval for issuance of these condensed consolidated financial statements. Additionally, certain pledge of assets with the carrying amount of approximately HK$1,017,967,000 and financial guarantees provided by two subsidiaries established in the the People's Republic of China (the "**PRC**"), namely Guangzhou Rongzhi Public Facilities Investment Co., Ltd.* (廣州融智公共設施投資有限公司) ("**Guangzhou Rongzhi**") and Jinzhou Jiachi Public Facilities Management Co., Ltd.* (錦州嘉馳公共設施管理有限公司) ("**Jinzhou Jiachi**") (collectively referred to as the "**PRC Guarantor Subsidiaries**") for the bank borrowings of companies outside the Group. The PRC courts have judged that the Group is liable for the amount of approximately RMB9,919,394,000. Furthermore, the bank loans of these companies comprising the principal amount and the unpaid interests and default interests amounting to approximately RMB9,919,394,000 in aggregate in relation to the pledge of assets and financial guarantees provided by the PRC Guarantor, Subsidiaries and mentioned above as at the date of this announcement remain in default. These conditions indicate the existence of material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the

* *The English name is for identification only*

normal course of business. The condensed consolidated financial statements have been prepared on a going concern basis as the directors of the Company are satisfied that the liquidity of the Group can be maintained in the coming year taking into the consideration of the following matters:

(i) The Group is actively negotiating with creditors regarding debt restructurings for the guarantees provided by the PRC Guarantor Subsidiaries.

On 25 March 2025, a settlement agreement (the "**Settlement Agreement**") was entered into among the Company, Stone Wealth Limited ("**Stone Wealth**", being the seller under the acquisition of Guangzhou Rongzhi by the Company, details of which are set out in the circular of the Company dated 26 March 2021) and Mr. Dai Yongge ("**Mr. Dai**", being the ultimate beneficial owner of Stone Wealth). Pursuant to the Settlement Agreement, Stone Wealth and Mr. Dai have, in consideration of Guangzhou Rongzhi making the payment and with a view to compensate Guangzhou Rongzhi, undertaken to within 12 months of the date of the Settlement Agreement liaise with the debtor of Guangzhou Rongzhi and conduct necessary action(s) such that the external debt of Guangzhou Rongzhi would be reduced by an amount of at least approximately RMB280.6 million, which is the sum of (i) the payment of RMB236,200,000 in response to the enforcement notice and/or judgement orders granted by the PRC courts; and (ii) the amount of onshore bank deposits of subsidiaries of the Company that have been withdrawn and transferred to accounts maintained by the PRC court. Details of the Settlement Agreement is disclosed in the announcement of the Company dated 25 March 2025.

(ii) The Group is exploring the possibility of disposing of or liquidating the PRC Guarantor Subsidiaries in order for the Group to discharge the guarantees they have provided, which have fallen due; and

(iii) The Group will try to seek other financing resources to meet its liabilities and obligation as and when they are fall due.

The directors of the Company have reviewed the cash flow projections of the Group prepared by the management covering a period of not less than 12 months from 30 June 2025. Taking into account of effectiveness and feasibility of the above measures, the directors of the Company consider the Group would be able to meet its financial obligations as and when they fall due within the forecast period. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis. The Group's ability to continue as a going concern still depends on the eventual successful outcome of the measures mentioned above, which cannot be determined with reasonable certainty. Should the Group be unable to continue as a going concern, adjustments would have to be made to the condensed consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets as current assets and non-current liabilities as current liabilities respectively. The effects of these potential adjustments have not been reflected in the condensed consolidated financial statements.

The preparation of condensed consolidated financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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, as appropriate.

Other than additional accounting policies resulting from application of new and amendments to HKFRS Accounting Standards, and application of certain accounting policies which became relevant to the Group, 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 financial statements for the year ended 31 December 2024.

Application of new and amendments to HKFRS Accounting Standards

In the current period, the Group has adopted all the new and amendments to HKFRS Accounting Standards as issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. HKFRS Accounting Standards comprise HKFRSs; HKASs; and Interpretations. The adoption of these new and amendments to HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current period and prior years.

The Group has not early applied the new and amendments to HKFRS Accounting Standards that have been issued but not yet effective. The Group has already commenced an assessment of the impact of these new and amendments to HKFRS Accounting Standards, but is not yet in a position to state whether these new and amendments to HKFRS Accounting Standards would have a material impact on its results of financial position.

3. REVENUE

Segment revenue

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
– Sales of medical equipment	**12,868**	14,918
– Sales of flooring materials	**13,299**	13,821
– Properties management and related services	**22,049**	22,686
	48,216	51,425
Rental income from leases	**16,540**	13,752
Interest income from loan financing services	**6**	613
Total revenue	**64,762**	65,790

Disaggregation of revenue

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Geographical markets		
Revenue from sales of goods and services within the scope of HKFRS 15		
– The PRC	**34,917**	37,604
– United States of America ("**USA**")	**–**	918
– Australia	**13,299**	10,460
– Belgium	**–**	2,443
	48,216	51,425
Revenue from rental of properties		
– The PRC	**16,540**	12,899
– United Kingdom	**–**	853
	16,540	13,752
Interest income from loan financing		
– The PRC	**6**	613
	64,762	65,790
Timing of revenue recognised from contracts with customers within the scope of HKFR 15		
– Over time	**22,049**	22,686
– At a point in time	**26,167**	28,739
	48,216	51,425

4. SEGMENT INFORMATION

Information reported to the Chief Executive Officer of the Company, being the Chief Operating Decision Maker ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or rendered.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

(i) Properties investment segment – properties investment, development of shopping mall, leasing of properties and property management;

(ii) Sales of medical equipment segment;

(iii) Sales of flooring materials segment;

(iv) Mining and exploitation of natural resources segment – mining and production of tungsten resources activities in the Republic of Mongolia ("**Mongolia**"); and

(v) Financial services and assets management segment by aggregating different operating segments including trading equity securities and derivatives and managing of assets arising from acquisition of distressed debts assets.

Segment revenue and results

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

Six months ended 30 June 2025 (unaudited)

	Properties investment *HK$'000*	**Sales of medical equipment** *HK$'000*	**Sales of flooring materials** *HK$'000*	**Mining and exploitation of natural resources** *HK$'000*	**Financial services and assets management** *HK$'000*	**Total** *HK$'000*
Segment revenue	**38,589**	**12,868**	**13,299**	**–**	**6**	**64,762**
Segment results	**(195,994)**	**2,088**	**(393)**	**(394)**	**(1,796)**	**(196,489)**
Net foreign exchange gains						**(477)**
Unallocated finance costs						**(60)**
Unallocated interest income						**481**
Unallocated administration costs						**(16,024)**
Loss before tax						**(212,569)**

Six months ended 30 June 2024 (unaudited)

	Properties investment *HK$'000*	Sales of medical equipment *HK$'000*	Sales of flooring materials *HK$'000*	Mining and exploitation of natural resources *HK$'000*	Financial services and asset management *HK$'000*	Total *HK$'000*
Segment revenue	36,438	14,918	13,821	–	613	65,790
Segment results	(256,614)	1,662	(3,891)	(478)	(1,919)	(261,240)
Net foreign exchange gains						1,469
Unallocated finance costs						(471)
Unallocated interest income						1,206
Central administration costs						(15,711)
Loss before tax						(274,747)

5. IMPAIRMENT LOSSES RECOGNISED UNDER EXPECTED CREDIT LOSS MODEL, NET

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
(Impairment losses)/reversal of impairment losses recognised on:		
– accounts receivable	**(979)**	(876)
– other receivables (including loan receivable)	**2,606**	1,662
– financial guarantee contracts	**(50,250)**	(76,245)
	(48,623)	(75,459)

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

6. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Interest expenses on		
– bank borrowings	**76,700**	84,868
– lease liabilities	**68**	493
	76,768	85,361

7. INCOME TAX CREDIT

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
PRC Enterprise Income tax:		
– Over-provision in the previous years	**–**	54
Deferred tax	**14,301**	23,248
	14,301	23,302

8. LOSS FOR THE PERIOD

Loss for the period has been arrived after charging:

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Purchases and charges of inventories		
– medical equipment	**9,598**	10,416
– flooring materials	**13,165**	13,619
	22,763	24,035
Depreciation of property, plant and equipment	**240**	970
Depreciation of right-of-use assets	**992**	1,619
Amortisation of intangible assets	**1,230**	1,236
Impairment loss of intangible assets	**3,758**	–
Advertising and marketing expenses	**759**	1,137
Legal and professional fee	**3,471**	5,834
Electricity and water	**5,186**	4,136
Sales commission	**1,499**	1,195

9. DIVIDEND

The Directors have determined that no dividend will be paid in respect of the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

10. LOSS PER SHARE

The calculation of the basic loss per share attributable to the 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 loss per share	**(198,704)**	(251,734)

	30 June 2025 '000 (unaudited)	30 June 2024 '000 (unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculation of basic loss per share	**5,250,020**	5,250,020
Loss per share		
Basic loss per share *(HK cents)*	**(3.78)**	(4.79)

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

11. INVESTMENT PROPERTIES

	HK$'000
FAIR VALUE	
At 1 January 2024 (audited)	2,275,479
Changes in fair value recognised in profit or loss	(355,870)
Disposals of subsidiaries	(524,969)
Exchange realignment	(63,195)
At 31 December 2024 and 1 January 2025 (audited)	**1,331,445**
Changes in fair value recognised in profit or loss	**(83,052)**
Exchange realignment	**37,276**
At 30 June 2025 (unaudited)	**1,285,669**

The fair value of the Group's investment properties located in the PRC at 30 June 2025 have been arrived at on the basis of valuations carried out by Messrs. International Valuation Limited (31 December 2024: same), an independent qualified professional valuer not connected with the Group for properties located in the PRC. The independent qualified valuer hold recognised relevant professional qualifications in the jurisdictions in which they valued the Group's investment properties and have recent experience in the locations and types of investment properties valued.

In determining the fair value of the investment properties, management of the Group works closely with the independent qualified valuer to establish the appropriate valuation techniques and inputs to the model and explain the cause of fluctuations in the fair value of the investment properties to the directors of the Company.

There has been no change from the valuation technique used for the six months ended 30 June 2025. In estimating the fair values of the investment properties for financial reporting purpose, the highest and the best use of the investment properties is their current use. The fair values of investment properties have been adjusted to exclude prepaid or accrued operating lease income to avoid double counting.

For the six months ended 30 June 2025, changes in fair value recognised in profit or loss was approximately HK$83,052,000 (unaudited) (2024: approximately HK$110,556,000 (unaudited)).

12. ACCOUNTS RECEIVABLE

	30 June 2025 *HK$'000* **(unaudited)**	31 December 2024 *HK$'000* (audited)
Accounts receivable	**15,380**	11,181
Less: Allowance for credit losses	**(6,635)**	(5,656)
	8,745	5,525

The Group allows a credit period of 0 to 90 days (31 December 2024: 0 to 90 days) to its customers depending on the type of products sold.

The following is an ageing analysis of accounts receivable, net of allowance of credit losses, presented based on the invoice dates which approximated to the respective revenue recognition dates:

	30 June 2025 *HK$'000* **(unaudited)**	31 December 2024 *HK$'000* (audited)
Within 30 days to 90 days	**4,259**	377
Over 90 days	**4,486**	5,148
	8,745	5,525

13. ACCOUNTS PAYABLE

An ageing analysis of accounts payable presented based on the delivery date at the end of the reporting period is as follows:

	30 June 2025 *HK$'000* **(unaudited)**	31 December 2024 *HK$'000* (audited)
0–30 days	**–**	1,289
31–90 days	**–**	6,430
	–	7,719

The credit period granted by the suppliers is 90 days (31 December 2024: 90 days).

14. BORROWINGS

	30 June 2025 *HK$'000* **(unaudited)**	31 December 2024 *HK$'000* (audited)
Unsecured fixed-rate bank borrowings	**730**	5,316
Secured fixed-rate bank borrowings *(Note)*	**1,471,430**	1,430,004
	1,472,160	1,435,320

Note: As at 30 June 2025 and 31 December 2024, the secured fixed-rate bank borrowing which is guaranteed by Mr. Dai, carried fixed interest rate of 7%. This secured fixed-rate bank borrowing was secured by the investment properties and 100% equity interest of a subsidiary established in the PRC as at 30 June 2025 and 31 December 2024. At 30 June 2025, the Group's investment properties with carrying amount of approximately HK$520,088,000 (unaudited) (31 December 2024: approximately HK$540,531,000 (audited)) was pledged as security for this secured fixed-rate bank borrowing. This secured fixed-rate bank borrowing was expired in January 2021 and had not yet been successfully renewed nor extended as at 30 June 2025 and 31 December 2024. Accordingly, it became overdue, repayable on demand, and was shown under current liabilities. It has not yet been renewed, extended nor repaid up to the date these condensed consolidated financial statements are authorised to issue.

15. SHARE CAPITAL

	Number of shares	**Share capital** *HK$'000*
Authorised ordinary shares at HK$0.05 per share		
At 1 January 2024, 31 December 2024 and 30 June 2025	34,566,666,668	1,728,333
Issued and fully paid ordinary shares at HK$0.05 per share		
At 1 January 2024, 31 December 2024 (audited) and 30 June 2025 (unaudited)	5,250,019,852	262,501

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

The revenue of the Company for the Reporting Period was approximately HK$64.8 million, representing a 1.5% decrease as compared to revenue of approximately HK$65.8 million for the six months ended 30 June 2024, such decrease was mainly contributed by the decrease in sales of medical equipment in the People's Republic of China ("**China**" or "**PRC**") in the ordinary and usual course of business of the Group. Revenue decreased and notwithstanding the Company actively implementing its continuous cost saving plan, the Group still recorded a loss before tax of approximately HK$212.6 million during the Reporting Period, decreased by 22.6% as compared with the loss before tax of approximately HK$274.7 million in the same period ended 30 June 2024, due to the combined effect of:

(i) a decrease in fair value of investment properties to approximately HK$83.1 million resulting from the sluggish retail shop rental market;

(ii) provision for guarantee contracts of approximately HK$50.3 million during the Reporting Period, which was due to guarantees provided by immediate holding companies of the Guangzhou Shopping Mall and Jinzhou Shopping Mall (as defined below). The guarantees were provided to onshore banks in the PRC in relation to third party loans and such guarantees were not disclosed to the Group by the seller at the time of acquisition of the holding companies of the two shopping malls; and

(iii) finance costs of approximately HK$76.7 million for the Reporting Period, which was mainly due to the bank loan of approximately RMB1,345 million in connection to the acquisition of Guangzhou Shopping Mall.

Income tax credit for the Reporting Period was approximately HK$14.3 million.

Taking into account the income tax credit mentioned above and netting of non-controlling interests, the Group recorded a loss attributable to owners of the Company reducing from approximately HK$251.7 million for the same period ended 30 June 2024 to approximately HK$198.7 million for the Reporting Period.

BUSINESS REVIEW

The Group is principally engaged in the businesses of property investment, flooring materials and medical equipment trading, mining and exploitation of natural resources, and financial services and assets management.

(1) Property Investment

Shopping Mall Businesses in the PRC

The Group wholly owns three shopping malls in the PRC, including: (i) a single-storey underground mall ("**Jinzhou Shopping Mall**") located in Jinzhou, Liaoning Province, the PRC, which is engaged in the shopping mall business ("**Jinzhou Shopping Mall Business**"); (ii) a two-storey underground mall ("**Guangzhou Shopping Mall**") located in Guangzhou, Guangdong Province, the PRC, which is engaged in the shopping mall business ("**Guangzhou Shopping Mall Business**"); and (iii) a two-storey underground mall (the "**Anyang Shopping Mall**") located in Anyang city, Hunan Province, the PRC, which is engaged in the shopping mall business ("**Anyang Shopping Mall Business**").

Anyang Shopping Mall Business, together with Jinzhou Shopping Mall Business and Guangzhou Shopping Mall Business are the "**Shopping Mall Businesses in the PRC**".

The business and operating model of the Jinzhou Shopping Mall, Guangzhou Shopping Mall and Anyang Shopping Mall primarily involves the leasing of stores to retailers and wholesalers of apparels, accessories, household appliances and food and beverage and other venue areas in the shopping malls for marketing and promotional activities. It derives revenue from rental income and the provision of property management services to tenants, including mall security, maintenance and repair and management of the operations of the three shopping malls. The Company holds the three shopping malls as investment properties and conducts day-to-day operations primarily in leasing and property management services which generate rental and property management incomes.

In addition, as to the Guangzhou Shopping Mall, under certain contracts with its tenants, the operating rights of the stores may be transferred to them after a specified period of the lease. This and the sales promotion and leasing activities by the leasing team of the Guangzhou Shopping Mall generate additional revenue from the transfer of operating rights of the stores. For the Reporting Period, there was no further completion of pre-existing contracts prior to the acquisition of the holding company of the Guangzhou Shopping Mall in 2021, which led to no revenue recorded (six months ended 30 June 2024: Nil) from the transfer of the operating rights of store units of the mall.

The Group has been undertaking a diversified business strategy. The acquisitions of three shopping malls in Anyang, Jinzhou and Guangzhou that completed in 2021 are in line with the strategic development of the Group and have provided an opportunity for the Group to widen its shopping malls network, expand the geographical coverage and scale up its shopping mall businesses. It is expected that the promotional campaigns, marketing activities and branding of the shopping malls of the Group will become more effective and cost-efficient. Anyang Shopping Mall is located in the central region of the PRC while the shopping malls in Jinzhou and Guangzhou are located in the north-eastern region and southern region of the PRC respectively. The acquisitions have allowed the Group's shopping mall network to have a strategic presence in central, north-eastern and southern regions of the PRC and expand geographically across the above regions in the PRC and potentially grow its market share.

The Shopping Mall Businesses in the PRC primarily involve the leasing and management of operations of Anyang Shopping Mall, Jinzhou Shopping Mall and Guangzhou Shopping Mall. As of 30 June 2025, details of the three shopping malls are set out as follows:

Shopping Mall	**Gross Floor Area** *(approximately sq.m.)*	**Leasable Floor Area** *(approximately sq.m.)*	**Leased Floor Area** *(approximately sq.m.)*
Anyang Shopping Mall			
Anyang Diyi Shopping Street Shopping Mall in the PRC	25,310	24,815	16,385
Jinzhou Shopping Mall			
Jinzhou First Tunnel Shopping Mall in the PRC	40,765	38,809	27,891
Guangzhou Shopping Mall			
Guangzhou First Tunnel Shopping Mall in the PRC Phases 1 and 2	89,415	39,964	25,266

For the Reporting Period, the revenue generated from the Shopping Mall Businesses in the PRC was mainly attributable to the rental income and property management and related service income from shops and venue spaces tenants of approximately HK$38.5 million.

As at 30 June 2025, the fair values of investment properties of Anyang Shopping Mall, Jinzhou Shopping Mall and Guangzhou Shopping Mall amounted to approximately HK$268 million, approximately HK$498 million and approximately HK$520 million respectively.

Payment by Guangzhou Rongzhi to settle litigation claims by other claimant bank

In January 2025, the Group made payment of RMB236.2 million (the "**Payment**") in response to the enforcement notice and/or judgment orders granted by the PRC courts in respect of the guarantee liabilities of Guangzhou Rongzhi (as defined below) with respect to the loans of Shenyang Ruifan and Shenyang Shenghe under the litigation claims brought by the Other Claimant Bank (all as defined in the Announcements) as disclosed in the announcements dated 14 July 2023, 26 July 2023, 20 March 2024, 30 April 2024, 30 July 2024, 16 August 2024 and 27 January 2025 (the "**Announcements**").

The Payment was made by the Group taking into account (i) that the Other Claimant Bank has issued letters of chasers to Guangzhou Rongzhi on fulfilment of its guarantee obligations; (ii) the advice from the PRC counsel about the potential risks that the Company might be exposed to (including potential enforcement actions such as freezing orders on the operating rights of the shopping malls owned by Guangzhou Rongzhi) if it fails to comply with the letters of chasers, enforcement notices and/or judgment orders in time; and (iii) a consensus with the Five Borrowers that Guangzhou Rongzhi will be relieved of any remaining debt responsibilities after the Payment.

For further details of the related matters, please refer to the Company's announcements dated 27 January 2025 and 25 March 2025.

Transfer of loans and guarantee liabilities due to Bank of Jinzhou

In March 2025, the Company received notices from Bank of Jinzhou and 錦州市華銀資產經營有限公司 (the "**Transferee**"), a company with majority shareholding of which is owned by Jinzhou Municipal Government, informing that all the loans and guarantee liabilities of Guangzhou Runzhi and Jinzhou Jiachi (as defined below) due to Bank of Jinzhou have been transferred to the Transferee at original terms of the loans and guarantees.

Settlement agreement with seller of the Guangzhou and Jinzhou Shopping Malls

On 25 March 2025, a settlement agreement (the "**Settlement Agreement**") was entered into among the Company, Stone Wealth Limited ("**Stone Wealth**", being the seller under the acquisition of Guangzhou Rongzhi by the Company, details of which are set out in the circular of the Company dated 26 March 2021) and Mr. Dai, being the ultimate beneficial owner of Stone Wealth). Pursuant to the Settlement Agreement, Stone Wealth and Mr. Dai have, in consideration of Guangzhou Rongzhi making the Payment and with a view to compensate Guangzhou Rongzhi, undertaken to within 12 months of the date of the Settlement Agreement liaise with the debtor of Guangzhou Rongzhi and conduct necessary action(s) such that the external debt of Guangzhou Rongzhi would be reduced by an amount of at least approximately RMB280.6 million, which is the sum of (i) the Payment; and (ii) the amount of onshore bank deposits of subsidiaries of the Company that have been withdrawn and transferred to accounts maintained by the court in the PRC.

Withdrawal and transfer of bank deposits of subsidiaries of the Company by the court in the PRC

As disclosed in the annual report for the year ended 31 December 2024, an aggregate amount of approximately RMB41.4 million onshore deposits of Jinzhou Jiachi and Guangzhou Rongzhi have been withdrawn and transferred to accounts maintained by the court in the PRC as at the date of the annual report for the year ended 31 December 2024.

As at the date of this announcement, an aggregate amount of approximately RMB52.5 million onshore deposits of Jinzhou Jiachi and Guangzhou Rongzhi have been withdrawn and transferred to accounts maintained by the court in the PRC. As at the date of this announcement, neither Jinzhou Jiachi nor Guangzhou Rongzhi has received other PRC court notice and/or documents relating to such withdrawal and transfer. Jinzhou Jiachi, Guangzhou Rongzhi and their PRC legal advisors are in the process of gathering information of and ascertaining the reasons for such withdrawal and transfer.

Real Estate in the UK

The Group held luxury real estate in premium location in central London within close proximity to the Buckingham Palace ("**UK Investment Properties**"). In the year ended 31 December 2024, the Company entered into a very substantial disposal and connected transaction for the disposal of the entire interest in a subsidiary which holds the UK Investment Properties for GBP50 million. Deposit of approximately GBP19 million from the transaction was used to repay defaulted loan in UK. The transaction was completed in December 2024. Pursuant to certain warranties given by the Company under the sale and purchase agreement of the transaction, the Company paid approximately GBP3 million to the buyer in January 2025 for the refurbishment work to restore the London properties into good condition. For further details of the related matters, please refer to the Company's announcements dated 23 April 2024, 28 June 2024 and 27 December 2024 and circular dated 11 June 2024.

As such, the overall segment results were a loss of approximately HK$196.0 million, representing a decrease of approximately 23.6% as compared to the loss of approximately HK$256.6 million in the same period ended 30 June 2024. The overall segment loss for the Reporting Period was mainly due to provision for guarantee contracts of approximately HK$50.3 million, decrease in fair value of investment properties of approximately HK$83.1 million resulting from sluggish retail shop rental market and finance costs of approximately HK$76.7 million for the Reporting Period, which was mainly due to the bank loan of approximately RMB1,345 million in connection to the acquisition of Guangzhou Shopping Mall.

(2) Flooring Materials and Medical Equipment Trading

The flooring materials trading business of the Group recorded revenue of approximately HK$13.3 million for the Reporting Period, representing a decrease of approximately 3.6%, as compared to approximately HK$13.8 million over the same period ended 30 June 2024. The Group has made sales of flooring board materials to overseas customers by exporting to markets in Australia. Leveraging on the potential synergies with the Group's Shopping Mall Business in the PRC, we expect to capitalise on the shopping mall tenants and customer networks to develop and expand our domestic sales of flooring, ceiling and other decorative materials.

The Group carries out medical equipment trading business in China for which the majority customers are hospitals. The products sold are mostly general medical equipment, consumable goods and optical medical devices and the related parts ("**Medical Products**"). The revenue for the Reporting Period decreased to approximately HK$12.9 million, representing a decrease of approximately 13.4% as compared to approximately HK$14.9 million of the same period ended 30 June 2024. The segment profit for medical equipment trading business for the Reporting Period was approximately HK$2.1 million, as compared to the segment profit of approximately HK$1.7 million for the same period ended 30 June 2024.

(3) Mining and Exploitation of Natural Resources

Currently, the Group holds four mining right licences ("**Mining Rights**") of three tungsten projects in Mongolia. The segment of mining and exploitation of natural resources business recorded no revenue during the Reporting Period.

The carrying values of the Mining Rights was nil as at 30 June 2025.

(4) Financial Services and Assets Management

No segment revenue was recorded as the prospect and market condition were yet to be certain, especially in light of the export economy affected by the China-US tension. The Group has adopted a prudent approach in financial investments during the Reporting Period. As such, the segment loss for the Reporting Period was approximately HK$1.8 million, compared with the segment loss of approximately HK$1.9 million for the same period ended 30 June 2024. The status of each of the business in this segment is further discussed as below.

Financial services

The Group holds a money lenders licence in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) through a wholly-owned subsidiary. Due to uncertain market conditions, the commencement of money lending business will be postponed.

Distressed debt assets management

The business incurred a loss of approximately HK$1.7 million for the Reporting Period, mainly representing the overhead costs of the business operation, whereas the loss of the same period ended 30 June 2024 was approximately HK$1.8 million. The directors of the Company (the "**Directors**") will continue to assess whether the Group should continue to engage in distressed assets investment.

Securities investment

The Group reported no transaction for its securities investments in the Reporting Period, no investment gain/loss was recorded for the Reporting Period (same period ended 30 June 2024: Nil).

FINANCIAL REVIEW

Capital structure

As at 30 June 2025, the consolidated net liabilities of the Group was approximately HK$1,984.5 million, representing an increase of approximately HK$248.1 million as compared to that net liabilities of approximately HK$1,736.4 million as at 31 December 2024. There is no shares movement since the end of the Reporting Period. As at 30 June 2025, the Company has 5,250,019,852 shares of HK$0.05 each in issue and the total deficit attributable to owners of the Company was HK$1,985.7 million (as at 31 December 2024: total deficit attributable to owner of the Company approximately HK$1,737.2 million).

Liquidity and financial resources

As at 30 June 2025, the Group's bank balances, cash and restricted bank deposit were approximately HK$88.1 million (as at 31 December 2024: approximately HK$364.3 million), its current assets was approximately HK$120.7 million (as at 31 December 2024: approximately HK$397.5 million), and its current liabilities was approximately HK$3,358.6 million (as at 31 December 2024: approximately HK$3,423.7 million). The current ratio was 0.04 times[(Note 1)] (as at 31 December 2024: 0.12 times). As at the end of the Reporting Period, the net current liabilities of the Group were approximately HK$3,237.9 million (as at 31 December 2024: net current liabilities of approximately HK$3,026.2 million).

As at 30 June 2025, the total debt financing of the Group was approximately HK$1,472.2 million (as at 31 December 2024: approximately HK$1,435.3 million), and there was no non-current debt financing as at 30 June 2025 (as at 31 December 2024: Nil).

As at 30 June 2025, net debt[(Note 2)] of the Group was approximately HK$2,396.5 million (as at 31 December 2024: net debt of approximately HK$2,269.8 million) and the total deficit was approximately HK$1,984.5 million (as at 31 December 2024: total deficit approximately HK$1,736.4 million). Therefore, gearing ratio[(Note 3)] as at the end of the Reporting Period was -0.74 (as at 31 December 2024: gearing ratio -0.83).

The objective of the Group's funding and treasury management activities is to ensure a sufficient liquidity to meet operational needs and various investment plans.

Capital commitments

As at 30 June 2025, the Group has no material capital commitments and was not engaged in any future plans concerning major investment or acquisition of capital assets (as at 31 December 2024: Nil).

Charges on group assets

As at 30 June 2025, the Group's bank borrowings of approximately HK$1,471.4 million were secured by certain assets of the Group, including investment properties and the equity interest of a wholly-owned subsidiary (as at 31 December 2024: approximately HK$1,430.0 million).

Notes:

1. Current ratio = Current assets/Current liabilities
2. Net debt = Borrowings + Financial Guarantee Contracts – Bank balances and cash
3. Gearing ratio = Total interest-bearing borrowings/Total equity

During the year ended 31 December 2021, the Group acquired Guangzhou Rongzhi Public Facilities Investment Co., Ltd. ("**Guangzhou Rongzhi**") and Jinzhou Jiachi Public Facilities Management Co., Ltd. ("**Jinzhou Jiachi**") (collectively refer as the "**PRC Subsidiaries**") through the acquisition of their immediate holding company, Sky Build Limited and Superb Power Enterprises Limited (the "**Acquisition**"), respectively, from their shareholder (the "**Predecessor Shareholder**").

During the year ended 31 December 2023, several legal claims were filed against the PRC Subsidiaries mainly due to the fact that the PRC Subsidiaries pledged the operating rights of its investment properties (the "**Pledges**") to secured bank loans granted to several companies related to the Predecessor Shareholder (the "**Borrowers**") together with other guarantors and/ or pledgors. The Borrowers defaulted bank loan repayment. As at 30 June 2025, the principal of the defaulted bank loan by the Borrowers was amounted to RMB3,400,000,000 (the "**Overdue Amount**").

The Pledges were allegedly originated prior to the Acquisition and the board of directors at the date of the Acquisition has no knowledge for the Securities. Therefore, no disclosure of pledge of assets contracts was made in the completion account as of the Acquisition date.

Since the Pledges were entered into prior to the Acquisition, the existing board of directors of the Group are unable to ensure the completeness of the information in relation to pledged assets contracts entered into.

Reference is made to the Company's announcements dated 28 March 2023, 4 April 2023, 29 November 2023, 12 December 2023, 5 February 2024 and 4 March 2024.

Contingent liabilities

During the period from November 2018 to July 2019, two of the Group's subsidiaries, namely Guangzhou Rongzhi and Jinzhou Jiachi entered into various financial guarantee contracts with Shengjing Bank Co., Ltd and Bank of Jinzhou Co, Limited respectively for the bank borrowings of seven companies which were related to Mr. Dai Yonggue ("**Mr. Dai**"). The maximum liabilities guaranteed by Guangzhou Rongzhi and Jinzhou Jiachi were principal amounts of RMB569,900,000 and RMB3,300,000,000 respectively together with the outstanding accrued interests and other charges. At the prevailing time of those financial guarantee contracts entered into, Guangzhou Rongzhi and Jinzhou Jiachi were not subsidiaries of the Company, but companies indirectly controlled by Mr. Dai. The Group acquired the entire equity interests in Guangzhou Rongzhi and Jinzhou Jiachi through the acquisitions of Superb Power Enterprises Limited and Sky Build Limited respectively that were completed in April 2021. In the opinion of the directors of the Company, the Group became aware of those financial guarantee contracts when the Group received the PRC court notices about legal claims during the year ended 31 December 2023. Subsequent to the year end, the PRC court had judged on the claims that Guangzhou Rongzhi and Jinzhou Jiachi are jointly are severally liable for the loans guaranteed by the Group with the other guarantors. Reference is made to the Company's announcements dated 13 October 2023, 29 November 2023, 12 December 2023, 5 February 2024, 4 March 2024, 20 March 2024, 22 April 2024, 30 April 2024 and 10 May 2024 and 30 July 2024. During the Reporting Period, the Group recognised approximately RMB916,190,000 (31 December 2024: approximately RMB1,116,798,000) (equivalent to approximately HK$1,002,312,000 (31 December 2024: approximately HK$1,187,380,000)) impairment losses on these financial guarantee contracts based on the valuation prepared by Messer International Valuation Limited, an independent qualified professional valuer not connected with the Group, which was engaged by the Company for the year ended 31 December 2024 and the Reporting Period.

During the course of the preparation of the condensed consolidated financial statements for the six months ended 30 June 2025, the directors remeasured the expected payments to reimburse the holder of the guarantees which were not expected to be recoverable from the borrowers and therefore recorded a loss of approximately RMB46,649,000 (equivalent to approximately HK$50,250,000) (2024: approximately RMB70,389,000 (equivalent to approximately HK$76,245,000)) in the profit or loss.

List of loans guarantees and pledges provided by Guangzhou Rongzhi, Jinzhou Jiachi and Longain

	Guarantors	Creditors	Borrowers	Notes	Principal	Form	Maximum Exposure as at 30 June 2025: Principal + Interests + Default Interests/Fair Value of Pledged Assets
					RMB		*RMB*
1	Guangzhou Rongzhi	Shengjing Bank	瀋陽方城地一大道公共設施管理有限公司	(1)	137,100,000	Guarantee	243,761,260
2	Guangzhou Rongzhi	Shengjing Bank	瀋陽皇城地一大道公共設施管理有限公司	(1)	48,400,000	Guarantee	86,054,328
3	Guangzhou Rongzhi	Shengjing Bank	瀋陽盛和公共設施管理有限公司	(1)	135,700,000	Guarantee	233,515,666
4	Guangzhou Rongzhi	Shengjing Bank	瀋陽睿凡公共設施管理有限公司	(1)	100,500,000	Guarantee	172,942,467
5	Guangzhou Rongzhi	Shengjing Bank	遼寧人和新天地公共設施管理有限公司	(1)	148,200,000	Guarantee	263,496,871
6	Jinzhou Jiachi	錦州市華銀資產經營有限公司	重慶寶霆公共設施管理有限公司	(2), (3)	1,400,000,000	Guarantee	2,143,966,257

	Guarantors	Creditors	Borrowers	Notes	Principal	Form	Maximum Exposure as at 30 June 2025: Principal + Interests + Default Interests/Fair Value of Pledged Assets
					RMB		*RMB*
7	Jinzhou Jiachi	錦州市華銀資產經營有限公司	濰坊鳶都創富公共設施有限公司	(2), (3)	1,900,000,000	Guarantee	2,925,649,149
8	Guangzhou Rongzhi + Jinzhou Jiachi	錦州市華銀資產經營有限公司	哈爾濱地利生鮮農產品企業管理有限公司	(3)	1,400,000,000	Pledge	Fair Value of Pledged Assets
9	Guangzhou Rongzhi	錦州市華銀資產經營有限公司	哈爾濱地利生鮮農產品企業管理有限公司	(3)	600,000,000	Pledge	Fair Value of Pledged Assets
10	Jinzhou Jiachi	錦州市華銀資產經營有限公司	贛州聚利公共設施建設有限公司	(3)	1,400,000,000	Pledge	Fair Value of Pledged Assets
11	Longain	錦州市華銀資產經營有限公司	廣州融智	(3)	1,400,000,000	Pledge	Fair Value of Pledged Assets

Notes:

(1) Total principal for the loans guaranteed by Guangzhou Rongzhi was amounted to RMB569,900,000. As at 30 June 2025, the total principal, accumulated interests and default interests was amounted to RMB999,771,000.

(2) Total principal for the loans guaranteed by Jinzhou Jiachi was amounted to RMB3,300,000,000. As at 30 June 2025, the total principal, accumulated interests and default interests was amounted to RMB5,069,615,000.

(3) In March 2025, the Company received notices from Bank of Jinzhou and 錦州市華銀資產經營有限公司 (the "**Transferee**"), a company with majority shareholding of which is owned by Jinzhou Municipal Government, informing that all the loans and guarantee liabilities of Guangzhou Runzhi and Jinzhou Jiachi due to Bank of Jinzhou have been transferred to the Transferee at original terms of the loans and guarantees.

Foreign exchange exposure

The Group's financial statements are denominated in Hong Kong dollars ("**HKD**"), while the Group is conducting business mainly in HKD, United States Dollar ("**USD**") and Renminbi ("**RMB**"). Since exchange rates of HKD is pegged to USD, there is no material exchange risk in respect of USD assets and transactions. However, the assets, liabilities and transactions of the PRC subsidiaries of the Group are mainly denominated in RMB respectively, there were exchange risks during financial settlement at the end of Reporting Period in this regard.

The Group has implemented policies and guidelines in relation to foreign exchange risk management. Meanwhile, the subsidiaries in the PRC are able to generate sufficient income to deal with their local currency expenses; therefore, the management of the Company considered that the Group's exposure to the potential foreign currency risk was relatively limited.

Qualified opinion

KTC Partners CPA Limited ("**KTC**") has issued a qualified opinion for the year ended 31 December 2024 (the "**Qualified Opinion**"), the text of which is set out in the annual report of the Company for the year ended 31 December 2024.

Pursuant to discussions between the Company and KTC, subject to the achievement of events stated below, it will be in a position to consider the removal of the audit qualification on the completeness of financial guarantees:

(i) settlement or clearance of all currently known financial guarantees in favor of Bank of Jingzhou/錦州市華銀資產經營有限公司 and/or the Shengjing Bank; and

(ii) recovery or compensation of all losses incurred by the Group as a result of the aforementioned financial guarantees from the Five Borrowers and/or Mr. Dai.

In the event that KTC is satisfied with the audit evidence for the financial statements for the year ending 31 December 2025, except for the audit modification on (1) the opening balances and comparative figures to be stated in the consolidated financial statements of the Group for the year ending 31 December 2025, and (2) the comparative figures to be stated in the consolidated financial statements of the Group for the year ending 31 December 2026, there would not be other audit modifications in respect of the matters referred to above. In respect of the Group's consolidated financial statement for the year ending 31 December 2025 and 2026, any audit modifications should solely relate to the comparability of 2024 and 2025 figures. Accordingly, under such circumstances, the issues giving rise to the Qualified Opinion are not expected to have any continuing effect on the Group's consolidated financial statements for the year ending 31 December 2027 and the subsequent years.

Neither the Audit Committee (as defined below) nor the management of the Company holds a different view to that of KTC regarding the qualified opinion. The Audit Committee has reviewed the management's position and has no objections thereto. The Company will instruct relevant personnel of the Group to actively implement the action plan set out above in a bid to remove the Qualified opinion in the Company's audited financial statements for the year ending 31 December 2025.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had 171 (as at 31 December 2024: 163) employees, of whom approximately 8.8% (as at 31 December 2024: 8.6%) were located in Hong Kong and the rest were located in the PRC and overseas.

The Group recognises the employees as the key element that contributes to the Group's success. The Group's remuneration policies are formulated based on the individual performance and the salaries trends in various regions, which will be reviewed annually. Apart from mandatory provident fund and medical insurance, the Company has adopted a share option scheme under which share options may also award to the Directors and eligible employees as an incentive with reference to the assessment of individual performance. The Board believes that the Group maintains an admirable relationship with the employees.

DIVIDENDS

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

PROSPECTS

Driven by the dual forces of macro policy sustaining efforts and continuously strengthening domestic momentum, the PRC economy has maintained a stable and positive development trend. In the first half of the year, the gross domestic product (GDP) grew by 5.3% year-on-year, demonstrating the resilience and potential of economic development. Production and demand have steadily improved, the consumer market has shown signs of recovery, and the total retail sales of consumer goods exceeded RMB24 trillion, up 5% year-on-year.

Albeit prominent economic improvement, the external environment remains uncertain, in particular, the tariff dispute initiated by the US has yet to be settled, and the domestic structural challenges still pending to be addressed with caution. A persistent and precise adjustments on macro policies are expected to enable balanced and steady growth, risk management and reformation, and to strengthen development foundation.

In the first half of the year, Guangzhou Shopping Mall presented remarkable achievements by making more commercial space available through centralized management of the dining area, re-launching tenant recruitment for apparel section, upgrading infrastructures, and implementing innovative marketing strategies. Amid changes in the international trade environment and the growing internationalization of surrounding commercial districts, there has been an increase in overseas procurement mall visitors. The mall plans to create a "Central and West Asia Night Market" to provide a relaxing environment for international business travelers, serving as a hotspot for entertainment, dining and business networking. In the second half of the year, the tenant recruitment focus will be on attracting apparel showrooms and sample rooms aiming at foreign purchasers, complemented by business office functions, while developing a nighttime entertainment complex featuring music bars, KTV, self-service American pool tables and card games to form an around-the-clock commercial ecosystem. The mall's business atmosphere will be elevated by establishing check-in spots for internet influencers and enhancing digital marketing. Additionally, it will organize tenants to participate in international trade shows and support them in expanding overseas markets through cross-border e-commerce and new foreign media operations, while increasing the reputation of Guangzhou Shopping Mall amongst foreign traders.

Jinzhou Shopping Mall has transformed its former women's fashion wear and lingerie sections into a bright, open-kitchen dining zone, optimizing spatial layout with launch of group meal promotions to effectively boost consumption. It has actively introduced new business formats such as anime and manga theme, creative cultural and experience-based activities, and has successfully attracted tenants of live-action murder plot games, together bringing a new entertainment highlight to the mall. Through omnichannel marketing and new media operations, the mall has increased its online exposure. In the second half of the year, it will continue to optimize its business mix by introducing youth-oriented projects like trendy Chinese fashion wear, creative cultural collectibles, light dining, and experience-based activities. By standardizing tenant branding and establishing a pop-up store incubation section, the mall aims to enhance its overall ambiance. A series of orchestrated activities will focus on summer parent-child events, back-to-school season, and trendy Chinese cultural festivals to deepen cross-industry collaborations and integrate online and offline promotions, attracting and retaining young consumer groups, for a continuous increase in customer flow.

Anyang Shopping Mall has focused on young consumer trends such as anime and manga culture, trendy collectibles, and stand-up comedies, and has significantly boosted mall exposure through anime conventions and promotions on social media platforms like Xiaohongshu and Douyin. Meanwhile, by revising tenant preferential policies, the lease retention rate has been stabilized. In the second half of the year, the mall will concentrate on creating a new social landmark by building a trendy game and anime zone. Targeting women as the primary consumer group, it will position a mainstream offering fashion wear, trendy collectibles, anime, nail salons, and snacks with beverages. By aligning with the night economy trend, the mall plans to introduce a composite business model featuring dining snacks, cozy bars, and cultural bazaar to reinforce the "daytime cafe, nighttime spirits" scene, recruiting various tenants to settle in the Anyang Shopping Mall. Furthermore, the mall will improve the operating environment with hardware upgrades and tenant optimization. By expanding the membership system, integrating online and offline marketing, and implementing refined tenant management, the mall aims to continuously increase customer flow and sales revenue.

The flooring materials trading business seeks to operate steadily amid the challenging global trade environment, and in the second half of the year, it will continue to actively explore business opportunities in emerging markets such as Australia, the Middle East and Europe.

Looking ahead to the coming half year, the domestic and international economic environment continues to face numerous undercurrents, with fluid international situations and ongoing trade frictions bringing uncertainties to the market. The Group will continue to operate with prudent principle and focus on consolidating existing business. By closely collaborating with banks, creditors and stakeholders to promote debt restructuring of the Guangzhou and Jinzhou Shopping Malls, the Group will strive to achieve the objectives of reducing the debts and guarantee obligations of the two malls, and preserving healthy operations and assets value of mall businesses.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

Update on the litigation claim against a subsidiary of the Company

Jinzhou Jiachi recently received a notice for enforcement (執行通知書) (the "**Chongqing Baoting Enforcement Notice**") and a disclosure order to report conditions of financials (報告財產令) (the "**Chongqing Baoting Disclosure Order**") from the Intermediate People's Court of Jinzhou Municipality, Liaoning Province (遼寧省錦州市中級人民法院) in relation to one of the Judgments as referred to in the Announcement. According to the Chongqing Baoting Enforcement Notice, the said judgment has become effective, and the relevant PRC court ordered that the defendants to the said litigation claim (including, among others, Mr. Dai, other companies in the PRC and Jinzhou Jiachi) pay the Claimant Bank a judgment amount in the aggregate of (i) approximately RMB1.7 billion; and (ii) execution fees (執行費). Pursuant to the Chongqing Baoting Disclosure Order, the said defendants are also required to report the current condition of their financials and for the year prior to the receipt of the Chongqing Baoting Enforcement Notice to the relevant PRC court. Should the said defendants fail to adhere to the Chongqing Baoting Enforcement Notice, they may face additional consequences, including but not limited to the recording in credit records and list of dishonest parties subject to enforcement.

As disclosed in the Annual Report for the year ended 31 December 2024, in March 2025, the Company received notices from the Claimant Bank and 錦州市華銀資產經營有限公司 (the "**Transferee**"), a company with majority shareholding of which is owned by the Jinzhou Municipal Government, informing that all the loans and guarantee liabilities of Jinzhou Jiachi due to the Claimant Bank have been transferred to the Transferee at original terms of the loans and guarantees (the "**Transfer**"). As advised by the Transferee after the Company's enquiry, since the Transfer has not been completed, the Transferee has not notified the relevant PRC court of the Transfer and will duly do so thereafter. As advised by the legal advisors of the Company as to the laws of the PRC (the "**PRC Legal Advisors**"), the Transferee can only formally notify the relevant PRC court of the Transfer after all notices thereof have been served on all defendants of the litigation claim. Given the underlying subject the litigation claim (i.e. the bank loan and the guaranteed obligations) remains the same, the PRC Legal Advisors do not see a substantive difference on the part of Jinzhou Jiachi even when the Chongqing Baoting Enforcement Notice states that such enforcement was applied for by the Claimant Bank. Notwithstanding the above, the Company and Jinzhou Jiachi will use their best endeavors to notify the relevant PRC court of the Transfer such that the judgment amount, if any, will not be inappropriately released to any entity.

For further details regarding the aforementioned event, please refer to the announcement of the Company dated 3 July 2025.

PURCHASE, SALE OR REDEMPTIONS OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares). As at 30 June 2025, the Group did not hold any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to maintaining statutory and regulatory standards and adhering to the principles of corporate governance with emphasis on transparency, independence, accountability and responsibility. For the Reporting Period, the Company has complied with all code provisions of the Corporate Governance Code ("**CG Code**") where applicable as set out in Part 2 of Appendix C1 to the Listing Rules.

AUDIT COMMITTEE AND REVIEW ON THE INTERIM RESULTS

The Company has established the Audit Committee with a specific written terms of reference in accordance with the requirements under Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee is responsible for, among others, reviewing and supervising the Group's financial reporting process, assisting the Board to ensure effective risk management and internal control systems of the Group and providing advice and comments to the Board.

As at the date of this announcement, the Audit Committee comprised all three independent non-executive Directors, namely, Mr. Leung Ting Yuk, Dr. Gao Bin and Ms. Song Yanjie, Mr. Leung Ting Yuk is elected as the chairman of the Audit Committee.

The unaudited condensed consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee together with the management of the Company. The Audit Committee is satisfied that such statements comply with the applicable accounting standards and that adequate disclosures have been made.

PUBLICATION OF INTERIM RESULTS AND DESPATCH OF INTERIM REPORT

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.irasia.com/listco/hk/taiunited/index.html. The interim report of the Company for the six months ended 30 June 2025 will be despatched to the shareholders of the Company and published on the aforesaid websites in due course.

By order of the Board
Tai United Holdings Limited
Su Shigong
Chairman

Hong Kong, 29 August 2025

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:
Mr. Su Shigong *(Chairman)*
Ms. Yang Yuhua *(Chief Executive Officer)*

Non-executive Director:
Mr. Lu Yunsong

Independent non-executive Directors:
Dr. Gao Bin
Mr. Leung Ting Yuk
Ms. Song Yanjie