

**VMEPH**  
**Vietnam**

**Vietnam Manufacturing and Export Processing (Holdings) Limited**

**越南製造加工出口(控股)有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 422)



Interim Report  
**2025**



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Liu Wu Hsiung (*Chairman*)

Ms. Wu Jui Chiao (*Chief Executive Officer*)

Mr. Lin Chun Yu

#### Non-executive Directors

Ms. Wu Li Chu

Mr. Chen Hsu Pin

Mr. Liu Ju Cheng

#### Independent Non-executive Directors

Ms. Lin Ching Ching

Mr. Cheung On Kit Andrew

Ms. Wu Hui Lan

#### AUDIT COMMITTEE

Ms. Lin Ching Ching (*Chairman*)

Mr. Cheung On Kit Andrew

Ms. Wu Hui Lan

#### REMUNERATION COMMITTEE

Ms. Lin Ching Ching (*Chairman*)

Mr. Liu Wu Hsiung

Ms. Wu Hui Lan

#### NOMINATION COMMITTEE

Mr. Liu Wu Hsiung (*Chairman*)

Ms. Lin Ching Ching

Mr. Cheung On Kit Andrew

#### AUTHORISED REPRESENTATIVES

Mr. Liu Wu Hsiung

Ms. Lee Angel Pui Shan

#### COMPANY SECRETARY

Ms. Lee Angel Pui Shan

#### AUDITOR

KPMG

Certified Public Accountants

Public Interest Entity Auditor registered  
in accordance with the Accounting and  
Financial Reporting Council Ordinance

### LEGAL ADVISERS

Norton Rose Fulbright Hong Kong

### REGISTERED OFFICE

Cricket Square, Hutchins Drive

P.O. Box 2681, Grand Cayman KY1-1111

Cayman Islands

### HEAD OFFICE

Section 5, Tam Hiep Ward, Bien Hoa City

Dong Nai, Vietnam

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited

Suite 3204, Unit 2A, Block 3

Building D, P.O. Box 1586, Gardenia Court

Camana Bay, Grand Cayman, KY1-1100

Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong

Investor Services Limited

Shops 1712-16, 17th Floor

Hopewell Centre

183 Queen's Road East

Wanchai, Hong Kong

### PRINCIPAL BANKERS

Asia Commercial Bank

Jointstock Commercial Bank for Foreign

Trade of Vietnam

### STOCK CODE

422

### COMPANY'S WEBSITE AND CONTACT

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## MANAGEMENT DISCUSSION AND ANALYSIS

Vietnam Manufacturing and Export Processing (Holdings) Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are one of the leading manufacturers of scooters and cub motorbikes in Vietnam. The Group’s manufacturing and assembly operations are located in Dong Nai Province (near Ho Chi Minh City) and Hanoi of Vietnam with an annual production capacity of 200,000 motorbikes. The Group’s motorbikes are sold under the SYM brand name and offering a wide range of models and types. It also produces motorbike parts and engines for internal use and export to overseas customers.

### OPERATION ENVIRONMENT

In the first half of 2025, global trade and political landscapes continued to undergo adjustment, presenting complex and dynamic challenges to the market. The United States imposed additional tariffs on a range of imported goods, further increasing operating costs for enterprises and accelerating the restructuring of global supply chains. Despite persistent market volatility, consumption and production activities in certain regions have shown signs of recovery, and the global economy has remained on a path of moderate growth.

As a major global manufacturing and export base, Vietnam maintained resilient economic performance despite external economic and trade challenges. According to statistics, Vietnam’s gross domestic product (GDP) grew by 7.52% in the first half of 2025, ranking among the top performers within the Association of Southeast Asian Nations (“ASEAN”), underscoring its critical role in regional economic development. According to the statistics from the Vietnam Association of Motorcycle Manufacturers, the total sales volume of the top five foreign direct investment manufacturers in Vietnam in the first half of 2025 was 1,284,291 motorbikes, representing an increase of 6.4% compared to the corresponding period of 2024. As the Vietnamese economy continues to grow, demand for convenient modes of transportation has steadily increased, supporting the sustained development of the motorcycle market. The management of the Group will strive to promote business growth, continue to devote its best efforts to proactively identify potential business opportunities, pursue sustainable development and strive to enhance its profitability in order to ensure stability in production and keep its operation in order with a view to mitigate the adverse impacts.



## BUSINESS REVIEW

For the six months ended 30 June 2025, the Group sold about 22,400 units of motorbikes (including about 6,600 units of scooters and 15,800 units of cubs) in Vietnam, representing an increase of 4.7% as compared with the same period last year. The Group exported an aggregate of approximately 18,400 units of scooters and cubs to various markets, including ASEAN countries and Europe markets, representing an increase of 65.8% from the same period last year.

The increase in the Group's total sales volume in Vietnam was mainly attributable to the Group continually improving its technology in motorcycle manufacturing and tirelessly engaging in research and development to design innovative high-quality motorcycle products. In the first half of 2025, the Group launched a variety of new and trendy scooters and cub motorbikes to satisfy the needs of different target consumer groups. The Group also organised a motorbike driving safety education campaign in schools throughout the nation and strengthen its online brand promotional activities to attract more consumers, increasing the Group's sales volume for motorbikes. In terms of brand building, the Group has been working with its distributors to comprehensively upgrade more modern physical stores and provide consumers with a more comfortable, brighter product display environment and efficient repair service, so as to continue to explore and focus on its channel operations in Vietnam to enhance SYM brand awareness and lay a solid foundation for steady sales growth. As of 30 June 2025, the Group's extensive distribution network comprised over 129 SYM authorised stores owned by dealers, covering every province in Vietnam.

The Group's total export sales volume recorded significant growth, primarily driven by strong sales momentum in its key export market, Malaysia. In the first half of 2025, the Group's sales volume in the Malaysian market increased by approximately 34.3% compared to the corresponding period in 2024, significantly outpacing the overall market growth rate. The Group closely monitors local consumer trends and introduces high-displacement vehicle models promptly, aligning with market preferences and addressing the growing demand for recreational travel and high-performance models. Leveraging the favorable environment of stable macroeconomic conditions and manageable inflationary pressures in Malaysia, the Group continues to strengthen its product portfolio and distribution network, laying a solid foundation for the steady development of its export business. In the European market, the Group began its strategic expansion in 2024 and commenced full-scale shipments in the first half of 2025. In the first half of 2025, the Group's sales volume in the European market recorded significant growth, reflecting the initial success of the Group's market expansion strategy. The Group will continue to expand its diversified sales channels to further enhance the competitiveness and market share of the SYM brand in the European market.



**FINANCIAL REVIEW**

The Group’s revenue increased by 42.1% from US\$32.8 million for the six months ended 30 June 2024 to US\$46.6 million for the six months ended 30 June 2025. The Group recorded a net profit of US\$0.04 million for the six months ended 30 June 2025, which increased by US\$2.46 million, as compared to the net loss of US\$2.42 million for the six months ended 30 June 2024. Further analysis on the operating results of the Group is set out below.

**REVENUE**

The Group’s revenue for the six months ended 30 June 2025 was US\$46.6 million, representing an increase of US\$13.8 million or 42.1% as compared with US\$32.8 million for the six months ended 30 June 2024. For overseas sales and domestic sales in Vietnam, the launch of a brand-new motorbike model drove sales performance. The Group will continue to explore new models and new customers vigorously to seek business growth opportunities, increase revenue and create higher value.

**COST OF SALES**

The Group’s cost of sales for the six months ended 30 June 2025 was US\$41.2 million, representing an increase of 37.3% as compared with US\$30.0 million for the six months ended 30 June 2024. The majority of the Group’s cost of sales comprised of raw material cost and direct labour costs. The increase was mainly due to the increase in overall sales volume. Moreover, the Group centralised bulk procurement of raw materials enabled the Group to strengthen its bargaining power and be in a better position to negotiate with suppliers, improve its bargaining power with certain suppliers through bulk purchasing, and in turn reduce its production costs, which partially offset the increase in raw material costs.

As a percentage of total revenue, the Group’s cost of sales decreased from 91.4% for the six months ended 30 June 2024 to 88.4% for the six months ended 30 June 2025. The decrease in cost rate was attributable to the increase in sales volume, which decreased the percentage of costs to total revenue.

**GROSS PROFIT AND GROSS PROFIT MARGIN**

During the six months ended 30 June 2025, the Group recorded a gross profit and gross profit margin of approximately US\$5.4 million and 11.6% respectively (for the six months ended 30 June 2024: gross profit and gross profit margin of approximately US\$2.8 million and 8.6% respectively). The gross profit and gross profit margin increased due to the increase in sales from the major sources of profit as discussed above.



## **DISTRIBUTION EXPENSES**

The Group's distribution expenses increased by 2.6%, from US\$1.89 million for the six months ended 30 June 2024 to US\$1.94 million for the six months ended 30 June 2025. The increase in distribution expenses was mainly attributable to the increase in transportation-related expenses and package expenses resulting from the increasing export sales volume of the Group.

## **ADMINISTRATIVE AND OTHER OPERATING EXPENSES**

The Group's administrative and other operating expenses decreased by 1.3%, from US\$3.11 million for the six months ended 30 June 2024 to US\$3.07 million for the six months ended 30 June 2025, reflecting the Group's continued efforts to enhance operational efficiency and effectively control related expenses. The administrative and other operating expenses accounted for 6.6% of the Group's total revenue for the six months ended 30 June 2025.

## **RESULTS FROM OPERATIONS**

As a result of the factors discussed above, for the six months ended 30 June 2025, the Group recorded a profit from operations of US\$0.9 million (for the six months ended 30 June 2024: loss from operations of US\$2.1 million).

## **NET FINANCE COSTS/INCOME**

The Group's recorded a net finance income of US\$0.03 million for the six months ended 30 June 2024, compared to a net finance costs of US\$0.70 million for the six months ended 30 June 2025, representing a variance of US\$0.73 million. The change was primarily attributable to (1) a decrease in bank interest income by US\$0.12 million, (2) an increase in foreign exchange loss of US\$0.63 million arising from fluctuation of the New Taiwan Dollar against the US dollar and (3) a decrease in bank interest and lease liabilities interest expense by US\$0.02 million.

## **IMPAIRMENT LOSS ON OTHER PROPERTY, PLANT AND EQUIPMENT**

Due to the persistent intense competition in the motorbike industry and rising manufacturing costs, the Group continues to face certain operational challenges, which have impacted the performance of the manufacturing and sales of motorbikes segment, and manufacturing and sales of spare parts and engines segment. Based on the latest market conditions and financial performance, the Group considered it was an indication that the other property, plant and equipment and prepayments for other property, plant and equipment (the "Relevant PPE") may be impaired. Accordingly, the Group carried out an impairment testing on the Relevant PPE and noted an impairment loss of approximately US\$0.1 million on the other property, plant and equipment were required during the six months ended 30 June 2025. This impairment mainly reflects the Group's prudent financial management and reassessment of the value of its assets. The management will continue to monitor market developments and adjust business strategies as necessary to enhance future operational efficiency and asset returns.

## PROFIT/LOSS FOR THE PERIOD AND NET PROFIT/LOSS MARGIN

As a result of the factors discussed above, the Group recorded a net profit of US\$0.04 million for the six months ended 30 June 2025, increased by US\$2.46 million as compared to the net loss of US\$2.42 million for the six months ended 30 June 2024. The Group recorded the net loss margin of 7.4% for the six months ended 30 June 2024, while the net profit margin for the six months ended 30 June 2025 was 0.1%.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, the Group's net current assets amounted to US\$38.8 million (31 December 2024: US\$39.3 million) which consisted of current assets of US\$105.1 million (31 December 2024: US\$95.6 million) and current liabilities of US\$66.3 million (31 December 2024: US\$56.3 million).

As at 30 June 2025, the Group's interest-bearing loans repayable within one year was US\$43.3 million (31 December 2024: US\$33.8 million). As at 30 June 2025, the Group had no interest-bearing loans repayable beyond one year (31 December 2024: Nil). As at 30 June 2025, the gearing ratio was 97.5% (31 December 2024: 75.2%) calculated by dividing total bank loans by total shareholders' equity.

As at 30 June 2025, the Group's cash and bank balances (including time deposits) amounted to US\$58.6 million, which included US\$51.0 million denominated in Vietnamese Dong, US\$6.6 million denominated in US dollar, US\$0.1 million denominated in Euro and US\$0.9 million denominated in New Taiwan Dollar (31 December 2024: US\$54.4 million, which included US\$48.5 million denominated in Vietnamese Dong, US\$5.8 million denominated in US dollar and US\$0.1 million denominated in New Taiwan Dollar).

The Group actively and regularly reviews and manages its capital structure to enhance its financial strength for the Group's long-term development. There was no change in the Group's approach to capital management during the six months ended 30 June 2025.

## PLEDGE ON ASSETS

As at 30 June 2025, the Group pledged its bank time deposits of US\$19,582,961 as securities for banking facilities granted to the Group.

## EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

Transactions of the Group are mainly denominated in Vietnamese Dong and US dollar. The Group will closely monitor the trend of fluctuation exchange rate and strengthen relevant personnel's awareness of risk prevention to deal with exchange rate risks. The Group adopts conservative treasury policies in cash and financial management, with its cash generally placed in short-term deposits mostly denominated in Vietnamese Dong and US dollar. As of 30 June 2025, the Group did not use any financial instrument to hedge its foreign exchange risks.





## **HUMAN RESOURCES AND REMUNERATION POLICIES**

The Group currently offers competitive remuneration packages to its staff in Vietnam and Taiwan, and regularly reviews its remuneration packages in light of the overall development of the Group. The Group's remuneration packages include basic salaries, bonuses, staff quarters, training and development opportunities, medical benefits, insurance plan and retirement benefits. As at 30 June 2025, the Group had 1,021 employees (30 June 2024: 1,003). The total amount of salaries and related costs for the six months ended 30 June 2025 amounted to approximately US\$5.1 million (for the six months ended 30 June 2024: approximately US\$4.9 million).

## **CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

The Group had no material capital commitments and contingent liabilities as at 30 June 2025.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES**

During the six months ended 30 June 2025, the Group had no material acquisition or disposal of subsidiaries and associated companies.

## **SIGNIFICANT INVESTMENT HELD**

During the six months ended 30 June 2025, the Group did not hold any significant investment.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

The Group did not have any other specific plan for material investments or acquisitions of capital assets as at 30 June 2025.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

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

## **CHANGES SINCE 31 DECEMBER 2024**

Save as disclosed in this report, since 31 December 2024, there were no other significant changes in the Group's financial position and there were no other significant changes in relation to the information disclosed under the section headed "Management Discussion and Analysis" in the annual report of the Company for the year ended 31 December 2024.



## PROSPECTS

Looking ahead to the second half of 2025, the global economy remains in a phase of inflation adjustment and the rebalancing of monetary and trade policies. As U.S. tariff policies become increasingly clear, uncertainties surrounding the trade environment and supply chain restructuring are expected to ease; however, the overall operating environment remains challenging.

The Group will continue to prudently respond to fluctuations in the international market and flexibly adjust the product strategies and regional sales deployment. For domestic sales, the Group will precisely target key customer segments based on different product positioning, and strengthen brand engagement through diversified marketing channels, including organising offline experiential events and leveraging various media platforms for online promotion, thereby enhancing brand visibility and favourability among potential consumers. For export sales, the Group will step up further to engage in marketing, enhance the brand loyalty, launch new products with enhanced product strength and aggressively explore global overseas markets, so as to highlight the benefits of our diversified product portfolio and achieve further sales success. The Group will also continue to extend the geographical coverage of its sales and services centres in order to provide its customers with better product repair and maintenance services, thereby strengthening brand trust.

The Group will adhere to its operating approach of focusing on its primary business, product quality and customers' satisfaction. The Group will adopt product innovation as its key strategy to further strengthen its capabilities in product design and core technology development. Based on fulfilling the needs of core customers, the Group will actively expand its potential consumer base, enhance brand influence, promote the growth of overall sales scale and maximise returns to the shareholders of the Company.



## APPLICATION OF INITIAL PUBLIC OFFERING PROCEEDS

The proceeds from the issuance of new shares in the initial public offering by the Company in December 2007, net of listing expenses, were approximately US\$76.7 million, which will be used in accordance with the manners stated in the prospectus of the Company (the “Prospectus”) and the announcement titled “change in use of proceeds” of the Company dated 10 May 2019 (the “Announcement”).

The table below sets out the detailed items of the use of proceeds from the initial public offering as at 30 June 2025:

	<b>Net proceeds from the initial public offering as stated in the Prospectus and the Announcement</b>	<b>Balance unutilised as at 1 January 2025</b>	<b>Amount utilised during the six months ended 30 June 2025</b>	<b>Balance unutilised as at 30 June 2025</b>
	<i>Approximately in US\$' million</i>	<i>Approximately in US\$' million</i>	<i>Approximately in US\$' million</i>	<i>Approximately in US\$' million</i>
Construction of research and development centre in Vietnam	11.7	–	–	–
Expanding distribution channels in Vietnam				
– Upgrading of existing facilities	4.0	–	–	–
– Establishing of new facilities	15.0	–	–	–
Mergers and acquisitions	9.0	–	–	–
General working capital	2.7	–	–	–
Development of production sites as well as the relocation of existing production facilities	15.0	2.0	0.1	1.9
Land development	19.3	15.1	–	15.1
<b>Total</b>	<b>76.7</b>	<b>17.1</b>	<b>0.1</b>	<b>17.0</b>

The unutilised balance was placed as deposits (including bank deposits) with several reputable financial institutions. For further details, please see the paragraph headed “Liquidity and Financial Resources”.

The unutilised amount of net proceeds is expected to be fully utilised by 2030.



## OTHER INFORMATION

### CHANGES OF DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION

Up to the date of this report, no change in the information relating to the directors and chief executive of the Company is required to be disclosed in accordance with Rules 13.51(2) and 13.51(B)(1) of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since the publication of the Company's 2024 annual report.

### INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATION

As at 30 June 2025, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including those taken or deemed as their interests and short position in accordance with such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register kept by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

#### Interests and short positions in the shares of Sanyang Motor Co., Ltd.

Name of directors	Types of shares	Capacity	Number of shares held (shares)	Approximate percentage of total share capital (%) <sup>1</sup>
Mr. Liu Wu Hsiung	Ordinary shares	Beneficial owner	111,380 (L)	0.014%
Ms. Wu Li Chu	Ordinary shares	Beneficial owner	17,046,560 (L)	2.138%
Mr. Liu Ju Cheng	Ordinary shares	Beneficial owner	4,000 (L)	0.001%
Mr. Liu Ju Cheng	Ordinary shares	Interest of spouse	295,000 (L)	0.037%

(L) – Long position

Note:

- The calculation is based on the total number of 797,489,604 shares of Sanyang Motor Co., Ltd. in issue as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, so far as is known to the directors of the Company, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including those taken or deemed as their interest and short position in accordance with such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register kept by the Company referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 30 June 2025, so far as known to the Company after reasonable enquiry, the following persons (other than the directors or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and has been entered in the register kept by the Company according to Section 336 of the SFO:

Name of substantial shareholders	Types of shares	Capacity	Number of shares/ underlying shares held (shares)	Approximate percentage of total share capital (%)
Sanyang Motor Co., Ltd.	Ordinary shares	Interest in controlled corporation	608,818,000 (L)	67.07%
SY International Ltd. <sup>1</sup>	Ordinary shares	Beneficial owner	608,818,000 (L)	67.07%

(L) – Long position

Note:

1.
- SY International Ltd. is a direct wholly-owned subsidiary of Sanyang Motor Co., Ltd. and therefore Sanyang Motor Co., Ltd. is deemed to be interested in the shares of the Company held by SY International Ltd. under Part XV of the SFO.

Save as disclosed above, as at 30 June 2025, the directors of the Company are not aware of any other person (other than Directors or chief executive of the Company) having an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Division 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under section 336 of the SFO.





## **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

At no time during the six months ended 30 June 2025 were rights to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, granted to any director of the Company or their respective spouses or minor children aged under 18, or were such rights exercised by them, or was the Company, or any of the subsidiaries of the Company, or any of the Company's holding companies, or any of the subsidiaries of such holding companies a party to any arrangement to enable the directors of the Company to acquire such benefits through such means.

## **CORPORATE GOVERNANCE PRACTICES**

During the six months ended 30 June 2025, the Company has complied with all applicable code provisions as set out in the Corporate Governance Code (the "Code") contained in Appendix C1 to the Listing Rules.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Code, and maintain a high standard of corporate governance practices of the Company.

## **COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code as the code of conduct in respect of transactions in securities of the Company by the directors of the Company. Having made specific enquiry of all the directors of the Company, the Company confirms that the directors of the Company have complied with the required standard set out in the Model Code for the six months ended 30 June 2025.

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on information that is publicly available to the Company and within knowledge of the directors of the Company, the Company has maintained a sufficient public float as required under the Listing Rules during the six months ended 30 June 2025 and up to the latest practicable date prior to the publication of this report.

## **SIGNIFICANT EVENT AFTER THE REPORTING PERIOD**

Subsequent to the six months ended 30 June 2025 and up to the date of this report, there were no significant events that might affect the Group.



## REVIEW OF INTERIM RESULTS

The unaudited interim results for the six months ended 30 June 2025 and the interim report have been reviewed by the audit committee of the Company which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements.

The interim results is unaudited, but has been reviewed by the Company's auditor, KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants.

## INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (for the six months ended 30 June 2024: Nil).

## OUR APPRECIATION

Lastly, we would like to express the sincere gratitude to the shareholders of the Company and the suppliers and customers of the Group for their unwavering support. We would also like to thank our dedicated staff for their hard work and contribution to the Group.

By order of the Board  
**Vietnam Manufacturing and Export Processing (Holdings) Limited**  
**Liu Wu Hsiung**  
*Chairman*

Hong Kong, 11 August 2025



# INDEPENDENT AUDITOR'S REVIEW REPORT



## **Review report to the Board of Directors of Vietnam Manufacturing and Export Processing (Holdings) Limited** *(Incorporated in the Cayman Islands with limited liability)*

### **Introduction**

We have reviewed the interim financial report set out on pages 16 to 34 which comprises the consolidated statement of financial position of Vietnam Manufacturing and Export Processing (Holdings) Limited (the "Company") as of 30 June 2025 and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim financial reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### **Scope of review**

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

### **KPMG**

*Certified Public Accountants*

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

11 August 2025



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

for the six months ended 30 June 2025 – unaudited

(Expressed in United States dollars)

		Six months ended 30 June	
	Note	2025 US\$	2024 US\$
<b>Revenue</b>	4	<b>46,602,134</b>	32,849,975
Cost of sales		<b>(41,202,455)</b>	(30,017,149)
<b>Gross profit</b>		<b>5,399,679</b>	2,832,826
Other income		<b>564,244</b>	125,682
Distribution costs		<b>(1,936,470)</b>	(1,889,763)
Technology transfer fees		<b>(56,674)</b>	(71,710)
Administrative and other operating expenses		<b>(3,067,806)</b>	(3,107,416)
<b>Results from operations</b>		<b>902,973</b>	(2,110,381)
Finance income		<b>1,121,808</b>	1,242,306
Finance costs		<b>(1,826,283)</b>	(1,211,010)
<b>Net finance (costs)/income</b>	5(a)	<b>(704,475)</b>	31,296
Impairment loss on other property, plant and equipment	5(c)	<b>(125,278)</b>	(282,675)
Share of profit/(loss) of an associate		<b>29,212</b>	(56,306)
		<b>(96,066)</b>	(338,981)
<b>Profit/(loss) before taxation</b>	5	<b>102,432</b>	(2,418,066)
Income tax expense	6	<b>(59,835)</b>	(287)
<b>Profit/(loss) for the period</b>		<b>42,597</b>	(2,418,353)



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

for the six months ended 30 June 2025 – unaudited  
(Expressed in United States dollars)

		Six months ended 30 June	
	Note	2025 US\$	2024 US\$
<b>Other comprehensive income for the period (after tax)</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of financial statements of overseas subsidiaries and an associate		(682,459)	(2,320,448)
<b>Total comprehensive income for the period</b>		<b>(639,862)</b>	<b>(4,738,801)</b>
<b>Profit/(loss) for the period attributable to:</b>			
Equity shareholders of the Company		42,518	(2,418,353)
Non-controlling interests		79	–
		<b>42,597</b>	<b>(2,418,353)</b>
<b>Total comprehensive income attributable to:</b>			
Equity shareholders of the Company		(639,941)	(4,738,801)
Non-controlling interests		79	–
		<b>(639,862)</b>	<b>(4,738,801)</b>
<b>Earnings/(loss) per share</b>			
– Basic and diluted	7	0.00005	(0.00266)

The notes on pages 22 to 34 form part of this interim financial report.





## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2025 – unaudited

(Expressed in United States dollars)

	Note	At 30 June 2025 US\$	At 31 December 2024 US\$
<b>Non-current assets</b>			
Investment properties		3,613,808	3,725,726
Other property, plant and equipment	9	3,345,490	3,544,783
Interest in an associate		531,381	516,470
		<b>7,490,679</b>	7,786,979
<b>Current assets</b>			
Inventories	10	25,271,692	22,292,912
Trade receivables, other receivables and prepayments	11	21,248,539	18,886,534
Current tax recoverable		8,371	–
Cash and bank balances	12	58,590,173	54,391,467
		<b>105,118,775</b>	95,570,913
<b>Current liabilities</b>			
Trade and other payables	13	22,914,631	22,220,446
Bank loans	14	43,250,656	33,823,923
Lease liabilities		55,445	55,085
Current tax payable		52,063	200,245
		<b>66,272,795</b>	56,299,699
<b>Net current assets</b>		<b>38,845,980</b>	39,271,214
<b>Total assets less current liabilities</b>		<b>46,336,659</b>	47,058,193
<b>Non-current liabilities</b>			
Deferred tax liabilities		16,107	14,395
Lease liabilities		1,977,893	2,061,277
		<b>1,994,000</b>	2,075,672
<b>NET ASSETS</b>		<b>44,342,659</b>	44,982,521



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)***at 30 June 2025 – unaudited**(Expressed in United States dollars)*

	<b>At 30 June 2025 US\$</b>	At 31 December 2024 US\$
<b>Capital and reserves</b>		
Share capital	<b>1,162,872</b>	1,162,872
Reserves	<b>43,175,396</b>	43,815,337
<b>Total equity attributable to equity shareholders of the Company</b>	<b>44,338,268</b>	44,978,209
Non-controlling interests	<b>4,391</b>	4,312
<b>TOTAL EQUITY</b>	<b>44,342,659</b>	44,982,521

Approved and authorised for issue by the Board of Directors on 11 August 2025.

*Director***Ms. Wu Jui-Chiao***Director***Mr. Lin Chun-Yu**

The notes on pages 22 to 34 form part of this interim financial report.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2025 – unaudited  
(Expressed in United States dollars)

	Attributable to equity shareholders of the Company							Non-controlling interests	Total equity
	Share capital US\$	Share premium US\$	Capital reserve US\$	Exchange reserve US\$	Statutory reserves US\$	Accumulated losses US\$	Total US\$	US\$	US\$
Balance at 1 January 2024	1,162,872	112,198,709	1,962,666	(37,481,264)	47,049	(26,756,823)	51,133,209	4,312	51,137,521
Changes in equity for 2024:									
Loss for the year	-	-	-	-	-	(3,844,473)	(3,844,473)	-	(3,844,473)
Other comprehensive income	-	-	-	(2,310,527)	-	-	(2,310,527)	-	(2,310,527)
Total comprehensive income	-	-	-	(2,310,527)	-	(2,418,353)	(6,155,000)	-	(6,155,000)
Transfer retained profits to statutory reserves	-	-	-	-	53,966	(53,966)	-	-	-
Balance at 31 December 2024	1,162,872	112,198,709	1,962,666	(39,791,791)	101,015	(30,655,262)	44,978,209	4,312	44,982,521
Balance at 1 January 2025	1,162,872	112,198,709	1,962,666	(39,791,791)	101,015	(30,655,262)	44,978,209	4,312	44,982,521
Changes in equity for 2025:									
Profit for the period	-	-	-	-	-	42,518	42,518	79	42,597
Other comprehensive income	-	-	-	(682,459)	-	-	(682,459)	-	(682,459)
Total comprehensive income	-	-	-	(682,459)	-	42,518	(639,941)	79	(639,862)
Transfer retained profits to statutory reserves	-	-	-	-	115,695	(115,695)	-	-	-
Balance at 30 June 2025	1,162,872	112,198,709	1,962,666	(40,474,250)	216,710	(30,728,439)	44,338,268	4,391	44,342,659

The notes on pages 22 to 34 form part of this interim financial report.



## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 June 2025 – unaudited  
(Expressed in United States dollars)

	Six months ended 30 June	
	2025 US\$	2024 US\$
<b>Cash (used in)/generated from operations</b>	<b>(6,309,530)</b>	6,835,749
Tax paid	(184,567)	(152,713)
<b>Net cash (used in)/generated from operating activities</b>	<b>(6,494,097)</b>	6,683,036
<b>Investing activities</b>		
(Increase)/decrease in time deposits maturing after three months	(1,431,918)	6,077,035
Others	1,083,884	2,308,587
<b>Net cash (used in)/generated from investing activities</b>	<b>(348,034)</b>	8,385,622
<b>Financing activities</b>		
Proceeds from borrowings	55,572,458	42,098,345
Repayment of borrowings	(44,620,248)	(50,156,831)
Others	(1,094,509)	(1,063,844)
<b>Net cash generated from/(used in) financing activities</b>	<b>9,857,701</b>	(9,122,330)
<b>Net increase in cash and cash equivalents</b>	<b>3,015,570</b>	5,946,328
<b>Cash and cash equivalents at 1 January</b>	<b>14,278,204</b>	16,831,966
<b>Effect of foreign exchange rate changes</b>	<b>(248,782)</b>	(806,035)
<b>Cash and cash equivalents at 30 June</b>	<b>17,044,992</b>	21,972,259

The notes on pages 22 to 34 form part of this interim financial report.



# NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

*(Expressed in United States dollars unless otherwise indicated)*

## 1 REPORTING CORPORATE INFORMATION

Vietnam Manufacturing and Export Processing (Holdings) Limited (the “Company”) was incorporated in the Cayman Islands on 20 June 2005 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The Company and its subsidiaries (collectively, the “Group”) are principally engaged in manufacture and sales of motorbikes and related spare parts and engines.

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 20 December 2007.

## 2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on 11 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with IFRS Accounting Standards.





## 2 BASIS OF PREPARATION (Continued)

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. KPMG's independent review report to the Board of Directors is included on page 15.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company's annual consolidated financial statements for that financial year but is derived from those financial statements. The Company's auditor has reported on those financial statements. The auditor's report was unqualified and did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report.

## 3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*, issued by the ISAB to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 4 REVENUE AND SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by business lines (products or services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified two reportable segments. No operating segments have been aggregated to form the following reportable segments.



#### 4 REVENUE AND SEGMENT REPORTING (Continued)

##### (a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines and geographical location of customers is as follows:

	Six months ended 30 June	
	2025 US\$	2024 US\$
<b>Revenue from contracts with customers within the scope of International Financial Reporting Standard ("IFRS") 15</b>		
Disaggregated by major products or service lines		
– Manufacture and sale of motorbikes	<b>41,798,757</b>	28,704,173
– Manufacture and sale of spare parts and engines	<b>4,803,377</b>	4,145,802
	<b>46,602,134</b>	32,849,975
Disaggregated by geographical location of customers		
– Vietnam (place of domicile)	<b>18,348,302</b>	17,467,360
– Malaysia	<b>11,534,868</b>	7,120,613
– Greece	<b>3,522,944</b>	1,778,689
– The Philippines	<b>2,903,796</b>	2,639,203
– Thailand	<b>2,362,185</b>	1,484,395
– Spain	<b>1,997,629</b>	–
– Belgium	<b>1,490,656</b>	–
– Chinese Mainland	<b>971,370</b>	122,872
– United Arab Emirates	–	1,783,994
– Other countries	<b>3,470,384</b>	452,849
	<b>46,602,134</b>	32,849,975



#### 4 REVENUE AND SEGMENT REPORTING (Continued)

##### (b) Information about reportable segment revenue and profit or loss

Information regarding the Group's reportable segments as provided to the Group's senior executive management for the purpose of resource allocation and assessment of segment performance for the period is set out below:

	Six months ended 30 June 2025		
	Manufacture and sale of motorbikes US\$	Manufacture and sale of spare parts and engines US\$	Total US\$
Revenue from external customers recognised at a point in time	41,798,757	4,803,377	46,602,134
Inter-segment revenue	–	9,770,012	9,770,012
<b>Reportable segment revenue</b>	<b>41,798,757</b>	<b>14,573,389</b>	<b>56,372,146</b>
Segment profit before depreciation	1,479,874	62,011	1,541,885
Depreciation	(107,281)	–	(107,281)
<b>Reportable segment profit ("adjusted EBIT")</b>	<b>1,372,593</b>	<b>62,011</b>	<b>1,434,604</b>
Share of profit of an associate			29,212
Net finance costs			(704,475)
Impairment loss on other property, plant and equipment			(125,278)
Unallocated corporate expenses			(531,631)
<b>Profit before taxation</b>			<b>102,432</b>



#### 4 REVENUE AND SEGMENT REPORTING (Continued)

##### (b) Information about reportable segment revenue and profit or loss (Continued)

	Six months ended 30 June 2024		
	Manufacture and sale of motorbikes US\$	Manufacture and sale of spare parts and engines US\$	Total US\$
Revenue from external customers recognised at a point in time	28,704,173	4,145,802	32,849,975
Inter-segment revenue	–	7,596,180	7,596,180
<b>Reportable segment revenue</b>	<b>28,704,173</b>	<b>11,741,982</b>	<b>40,446,155</b>
Segment loss before depreciation	(670,973)	(423,062)	(1,094,035)
Depreciation	(110,605)	–	(110,605)
<b>Reportable segment loss ("adjusted EBIT")</b>	<b>(781,578)</b>	<b>(423,062)</b>	<b>(1,204,640)</b>
Share of loss of an associate			(56,306)
Net finance income			31,296
Impairment loss on other property, plant and equipment			(282,675)
Unallocated corporate expenses			(905,741)
<b>Loss before taxation</b>			<b>(2,418,066)</b>

The measure used for reporting segment result is "adjusted EBIT" i.e. "adjusted earnings or loss before interest and taxes", where "interest" is regarded as net finance costs/(income). To arrive at adjusted EBIT the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as share of result of an associate, impairment losses on other property, plant and equipment ("Motorbike non-current assets") and other head office or corporate administration expenses.



## 5 PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after (crediting)/charging:

### (a) Net finance costs/(income)

	Six months ended 30 June	
	2025 US\$	2024 US\$
Interest income from banks	(1,121,808)	(1,242,306)
Finance income	(1,121,808)	(1,242,306)
Interest paid and payable to banks	848,815	886,878
Interest on lease liabilities	71,472	50,200
Net foreign exchange loss	905,996	273,932
Finance costs	1,826,283	1,211,010
Net finance costs/(income)	704,475	(31,296)

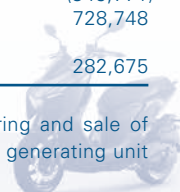
### (b) Staff costs

	Six months ended 30 June	
	2025 US\$	2024 US\$
Salaries, wages and other benefits	4,543,328	4,327,554
Contributions to defined contribution retirement plans	552,773	557,285
	5,096,101	4,884,839

### (c) Other items

	Six months ended 30 June	
	2025 US\$	2024 US\$
Depreciation of investment properties and other property, plant and equipment	120,503	124,237
Gain on disposal of other property, plant and equipment	(9,170)	(63,433)
(Reversal of)/provision for write-down of inventories (note 10)	(994,606)	652,246
Reversal of loss allowance of trade receivables	(191,641)	(345,771)
Research and development expenses	823,681	728,748
Impairment loss on other property, plant and equipment <sup>#</sup>	125,278	282,675

<sup>#</sup> The manufacturing and sale of motorbikes segment and manufacturing and sale of spare parts and engines segment in Vietnam are considered one cash generating unit ("CGU") of the Group.



5 PROFIT/(LOSS) BEFORE TAXATION (Continued)

(c) Other items (Continued)

The Group suffered significant operating losses (before impairment losses on Motorbike non-current assets) over the past few years due to the fierce competition in the motorbike industry and increase of manufacturing cost on newly launched products. Based on an impairment assessment conducted by management, impairment losses totalling US\$125,278 (six months ended 30 June 2024: US\$282,675) was recognised in profit or loss during the period to write down the carrying amount of other property, plant and equipment of the CGU to their recoverable amounts.

The recoverable amount of the CGU is determined based on the higher of its value-in-use and the fair value less costs of disposal. Management identified certain land and buildings included in the CGU, which carrying values are likely to be recovered through a sales transaction. The recoverable amounts of these land and buildings are measured based on their fair value less costs of disposal. This valuation model considers recent sales prices of comparable properties on a price per square foot basis, adjusted for a premium or a discount specific to the quality of the Group’s land and buildings compared to the recent sales. Higher premium for higher quality buildings will result a higher fair value measurement. The fair value on which recoverable amount is based is categorised as a Level 3 measurement under the three-level fair value hierarchy as defined in IFRS 13, Fair Value Measurement. Key unobservable inputs include the premium on quality of the buildings of 2% – 5% (six months ended 30 June 2024: 0% – 2%). For assets which management considers are likely to recover through continuing use, the Group assessed the recoverable amount based on a value-in-use calculation. These calculations use cash flow forecast based on financial budgets approved by management in which cash flows are discounted using pre-tax discount rate of 13% (six months ended 30 June 2024: 13%).

6 INCOME TAX EXPENSE

	Six months ended 30 June	
	2025 US\$	2024 US\$
Current tax		
Provision for the period	59,835	287

No provision for Hong Kong Profits Tax has been made as the Group did not earn any income subject to Hong Kong Profits Tax for the six months ended 30 June 2025 and 2024.

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.



## 6 INCOME TAX EXPENSE (Continued)

In accordance with the Law of Foreign Investment of 1987, as amended in 1990 and 1992 in Vietnam, provision for corporate income tax ("CIT") for Vietnam Manufacturing and Export Processing Co., Ltd. ("VMEP") is calculated at 18% of the taxable profits on motorbike assembling and manufacturing activities and at the rate of 10% of taxable profits on engine assembling and manufacturing activities. The applicable tax rate for profits from other operating activities is 20%.

In accordance with the Law of Foreign Investment of 1996, as amended in 2000 and 2014 in Vietnam, the applicable CIT rate for Vietnam Casting Forge Precision Ltd. is 20% from 2024 onwards.

In accordance with the Corporate Income Tax Law of Taiwan, as amended in 2019, the applicable tax rate for Chin Zong Trading Co., Ltd. is 20% if the taxable profit for the year is above New Taiwan Dollar ("NT\$") 120,000. Income tax is exempted if the taxable profit is below NT\$120,000.

## 7 EARNINGS/(LOSS) PER SHARE

### (a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit attributable to equity shareholders of the Company of US\$42,518 (six months ended 30 June 2024: loss attributable to equity shareholders of the Company of US\$2,418,353) and the weighted average of 907,680,000 ordinary shares (2024: 907,680,000 ordinary shares) in issue during the interim period. The amount of basic earnings per share is US\$0.00005 (six months ended 30 June 2024: basic loss per share of US\$0.00266) for the six months ended 30 June 2025.

### (b) Diluted earnings/(loss) per share

The amount of diluted earnings/(loss) per share is the same as the basic earnings/(loss) per share for the six months ended 30 June 2025 and 2024 as there were no potential dilutive ordinary shares in existence during the six months ended 30 June 2025 and 2024.

## 8 DIVIDEND

No dividend has been paid or declared by the Company for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

## 9 OTHER PROPERTY, PLANT AND EQUIPMENT

(a) During the six months ended 30 June 2025, the Group recognised items of other property, plant and equipment with a cost of US\$125,278 (six months ended 30 June 2024: US\$282,675).

### (b) Impairment losses

During the six months ended 30 June 2025, an impairment loss of US\$125,278 (six months ended 30 June 2024: US\$282,675) was recognised in profit or loss for other property, plant and equipment (see note 5(c)).



## 10 INVENTORIES

During the six months ended 30 June 2025, a reversal of write-down of US\$994,606 (six months ended 30 June 2024: provision for write-down of US\$652,246) has been recognised in profit or loss, being the amount of a reversal of/provision for write-down of motorbikes manufacturing inventories to estimated net realisable value. The reversal of write-down is due to the sales of aged inventories during the six months ended 30 June 2025. The write-down during the six months ended 30 June 2024 was due to a decrease in the estimated net realisable value of certain inventories as a result of slow moving status.

## 11 TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

	At 30 June 2025 US\$	At 31 December 2024 US\$
Trade receivables	9,396,308	9,234,648
Non-trade receivables	9,948,033	7,336,432
Prepayments	494,964	487,591
Amounts due from related parties		
Trade	1,409,234	1,827,436
Non-trade	–	427
	<b>21,248,539</b>	18,886,534

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date (or date of revenue recognition, if earlier) and net of loss allowance, is as follows:

	At 30 June 2025 US\$	At 31 December 2024 US\$
Within 3 months	10,193,165	8,860,451
More than 3 months but within 1 year	612,377	2,116,279
More than 1 year but within 2 years	–	85,354
	<b>10,805,542</b>	11,062,084

The Group's exposure to credit risk is low as the Group generally offers no credit terms to domestic customers, except for a customer, who is granted a credit term of 90 days. Overseas customers are generally granted credit terms ranging from 30 days to 90 days. At the end of the reporting period, 63% (31 December 2024: 45%) of the total trade receivables was due from the Group's largest debtor.

Non-trade receivables mainly represented VAT recoverable of US\$5,544,687 (31 December 2024: US\$4,113,008) and import tax refundable of US\$2,143,936 (31 December 2024: US\$998,190).



**12 CASH AND BANK BALANCES**

	<b>At 30 June 2025 US\$</b>	At 31 December 2024 US\$
Cash at banks and on hand	<b>10,274,703</b>	6,051,603
Time deposits maturing within three months	<b>6,770,289</b>	8,226,601
Cash and cash equivalents in condensed consolidated cash flow statement	<b>17,044,992</b>	14,278,204
Time deposits maturing after three months	<b>41,545,181</b>	40,113,263
	<b>58,590,173</b>	54,391,467

**13 TRADE AND OTHER PAYABLES**

	<b>At 30 June 2025 US\$</b>	At 31 December 2024 US\$
Trade payables	<b>3,726,062</b>	4,340,713
Other payables and accrued operating expenses	<b>2,891,912</b>	3,277,014
Contract liabilities – billings in advance of performance	<b>1,088,497</b>	1,191,403
Provisions	<b>1,643,301</b>	1,705,450
Amounts due to related parties		
Trade	<b>13,563,198</b>	11,696,403
Non-trade	<b>1,661</b>	9,463
	<b>22,914,631</b>	22,220,446

As of the end of the reporting period, the ageing analysis of trade payables of the Group (including trade payables due to related parties), based on the invoice date, is as follows:

	<b>At 30 June 2025 US\$</b>	At 31 December 2024 US\$
Within 3 months	<b>17,273,568</b>	15,292,974
More than 3 months but within 1 year	<b>12,661</b>	736,989
More than 1 year but within 5 years	<b>3,031</b>	7,153
	<b>17,289,260</b>	16,037,116



14 BANK LOANS

As of the end of the reporting period, the bank loans of the Group were secured by time deposits of US\$19,582,961 (31 December 2024: US\$19,413,093) of the Group.

15 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

All of the Group’s financial instruments were carried at cost or amortised cost as at 31 December 2024 and 30 June 2025 and their carrying amounts are not materially different from their fair values.

16 MATERIAL RELATED PARTY TRANSACTIONS

During the six months ended 30 June 2025, transactions with the following parties are considered as material related party transactions:

Name of party	Relationship
Sanyang Motor Co., Ltd. (“Sanyang”)	The ultimate holding company
Sanyang Global Co., Ltd.	A subsidiary of Sanyang
Xiamen Xiashing Motorcycle Co., Ltd.	A subsidiary of Sanyang
Sanyang Motor Colombia S.A.S	A subsidiary of Sanyang
Vietnam Three Brothers Machinery Industry Co., Limited	The associate of the Company and a non-wholly owned subsidiary of Sanyang



**16 MATERIAL RELATED PARTY TRANSACTIONS (Continued)****(a) Recurring transactions**

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>US\$</b>	<b>US\$</b>
<b>Sales of finished goods and spare parts:</b>		
The ultimate holding company	<b>9,303,151</b>	332,203
Fellow subsidiaries	<b>972,802</b>	122,872
	<b>10,275,953</b>	455,075
<b>Purchases of raw materials and finished goods:</b>		
The ultimate holding company	<b>3,075,842</b>	1,217,114
Fellow subsidiaries	<b>18,690,800</b>	8,609,869
The associate	<b>1,633,415</b>	1,170,819
	<b>23,400,057</b>	10,997,802
<b>Purchases of other property, plant and equipment:</b>		
The ultimate holding company	<b>–</b>	10,019
The associate	<b>1,967</b>	–
	<b>1,967</b>	10,019
<b>Other purchases:</b>		
The ultimate holding company	<b>29,891</b>	1,977
The associate	<b>2,492</b>	973
	<b>32,383</b>	2,950
<b>Technology transfer fees:</b>		
The ultimate holding company	<b>56,674</b>	71,710
<b>Advertising subsidies:</b>		
The ultimate holding company	<b>300,000</b>	–



**16 MATERIAL RELATED PARTY TRANSACTIONS (Continued)****(b) Amounts due from related parties**

	At 30 June 2025 US\$	At 31 December 2024 US\$
<b>Trade</b>		
The ultimate holding company	452,952	1,818,100
Fellow subsidiaries	956,282	9,336
	<b>1,409,234</b>	<b>1,827,436</b>
<b>Non-trade</b>		
The ultimate holding company	–	427
<b>Total</b>	<b>1,409,234</b>	<b>1,827,863</b>

**(c) Amounts due to related parties**

	At 30 June 2025 US\$	At 31 December 2024 US\$
<b>Trade</b>		
The ultimate holding company	1,987,768	265,554
Fellow subsidiaries	11,203,247	11,045,034
The associate	372,183	385,815
Subtotal	<b>13,563,198</b>	<b>11,696,403</b>
<b>Non-trade</b>		
The ultimate holding company	1,661	7,830
Fellow subsidiaries	–	1,633
<b>Total</b>	<b>13,564,859</b>	<b>11,705,866</b>

