



S.A.S. Dragon Holdings Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 1184)

Interim Report 2025



This Interim Report is printed on environmentally friendly paper

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Dr. Yim Yuk Lun, Stanley *SBS BBS JP*
(Chairman and Managing Director)

Mr. Yim Tsz Kit, Jacky

Mr. Wong Wai Tai

Mr. Tsui Chi Wing, Eric

Non-Executive Directors

Mr. Wong Sui Chuen

Ms. Yim Kei Man, Carmen

Independent Non-Executive Directors

Mr. Wong Tak Yuen, Adrian

Mr. Cheung Chi Kwan

Mr. Wong Wai Kin

AUDIT COMMITTEE

Mr. Wong Tak Yuen, Adrian (Chairman)

Mr. Cheung Chi Kwan

Mr. Wong Wai Kin

REMUNERATION COMMITTEE

Mr. Wong Tak Yuen, Adrian (Chairman)

Mr. Wong Sui Chuen

Mr. Wong Wai Kin

NOMINATION COMMITTEE

Mr. Wong Tak Yuen, Adrian (Chairman)

Mr. Cheung Chi Kwan

Ms. Yim Kei Man, Carmen

COMPANY SECRETARY

Mr. Wong Wai Tai

REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

PRINCIPAL OFFICE

19th Floor, S.A.S. Tower

55 Lei Muk Road

Kwai Chung, N.T.

Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17th Floor, Far East Finance Centre

16 Harcourt Road

Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

Hang Seng Bank Limited

Mizuho Bank Limited

Standard Chartered Bank

(Hong Kong) Limited

The Hongkong and Shanghai Banking

Corporation Limited

AUDITORS

Deloitte Touche Tohmatsu

STOCK CODE

The Stock Exchange of

Hong Kong Limited: 1184

WEBSITE

www.sasdragon.com.hk



FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		
	2025 (Unaudited)	2024 (Unaudited)	Change
Revenue (HK\$'000)	12,593,839	13,639,486	-7.7%
Profit attributable to owners of the Company (HK\$'000)	263,523	330,288	-20.2%
Basic earnings per share (HK cents)	42.11	52.78	-20.2%
Interim dividend per share (HK cents)	15.00	15.00	Unchanged

The board of directors (the “**Board**”) of S.A.S. Dragon Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 June 2025, together with comparative figures for the previous period, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Notes	For the six months ended 30 June	
		2025	2024
		(Unaudited) HK\$'000	(Unaudited) HK\$'000
Revenue	2	12,593,839	13,639,486
Cost of sales		(12,014,719)	(12,835,243)
Gross profit		579,120	804,243
Other income	4(b)	29,818	26,086
Other gains and losses, net	4(c)	28,312	(18,213)
Reversal of impairment losses under expected credit loss model, net		4,965	5,681
Distribution and selling expenses		(82,706)	(91,967)
Administrative expenses		(105,070)	(104,135)
Share of profit of an associate		–	372
Share of profit (loss) of a joint venture		776	(170)
Finance costs		(30,399)	(30,144)
Loss from derecognition of trade receivables at fair value through other comprehensive income (“ FVTOCI ”)		(35,665)	(67,052)



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the six months ended 30 June 2025

		For the six months ended 30 June 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
	Notes		
Profit before tax		389,151	524,701
Income tax expense	3	(53,224)	(82,614)
Profit for the period	4(a)	335,927	442,087
Other comprehensive (expense) income:			
Items that may be reclassified subsequently to profit or loss:			
Change in fair value on trade receivables at FVTOCI		(29,052)	(69,299)
Reclassification adjustment for cumulative profit included in profit or loss upon disposal of trade receivable measured at FVTOCI		35,665	67,052
Exchange difference arising on translation of foreign operations of subsidiaries		26,181	–
Share of other comprehensive income of a joint venture		195	2,880
Other comprehensive income for the period		32,989	633
Total comprehensive income for the period		368,916	442,720

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the six months ended 30 June 2025

		For the six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Note	HK\$'000	HK\$'000
Profit for the period attributable to:			
Owners of the Company		263,523	330,288
Non-controlling interests		72,404	111,799
		<u>335,927</u>	<u>442,087</u>
Total comprehensive income attributable to:			
Owners of the Company		293,492	335,162
Non-controlling interests		75,424	107,558
		<u>368,916</u>	<u>442,720</u>
Basic earnings per share (<i>HK cents</i>)	6	<u>42.11</u>	<u>52.78</u>



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
	Note		
Non-current Assets			
Investment properties		514,800	507,600
Property, plant and equipment		378,438	387,647
Intangible assets		16,929	17,004
Right-of-use assets		153,702	157,281
Interest in a joint venture		11,486	10,516
Financial assets at fair value through profit or loss ("FVTPL")		2,998	2,998
Deferred tax assets		9,163	10,096
		1,087,516	1,093,142
Current Assets			
Inventories		2,092,579	3,061,620
Trade and other receivables	7(a)	1,013,573	1,367,908
Trade receivables at FVTOCI	7(b)	1,607,693	1,603,691
Finance lease receivables		1,466	1,607
Financial assets at FVTPL		69,800	126,938
Tax recoverable		255	634
Pledged bank deposits		25,573	64,666
Cash and cash equivalents		4,507,011	2,927,070
		9,317,950	9,154,134

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 June 2025

		30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
	Note		
Current Liabilities			
Trade and other payables	8	4,251,748	4,636,086
Contract liabilities		114,226	74,292
Lease liabilities due within one year		562	661
Amount due to an associate		3,000	3,000
Tax liabilities		65,549	54,760
Bank and other borrowings due within one year		2,664,836	2,385,304
		7,099,921	7,154,103
Net Current Assets		2,218,029	2,000,031
Total Assets less Current Liabilities		3,305,545	3,093,173
Non-current Liabilities			
Deferred tax liabilities		9,214	9,299
		9,214	9,299
Net Assets		3,296,331	3,083,874
Capital and Reserves			
Share capital		62,584	62,584
Share premium and reserves		2,937,582	2,800,549
Equity attributable to owners of the Company		3,000,166	2,863,133
Non-controlling interests		296,165	220,741
Total Equity		3,296,331	3,083,874



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the Company											Non-controlling interests	Total
	Share capital	Share premium	Capital redemption reserve	Capital reserve	Other reserve	Contributed surplus	Property revaluation reserve	Translation reserve	FVOCI reserve	Retained profit	sub-total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 31 December 2024 (audited)	62,584	6,521	1,109	11,145	(9,842)	13,519	206,934	(82,403)	(18,443)	2,672,009	2,863,133	220,741	3,083,874
Profit for the period	-	-	-	-	-	-	-	-	-	263,523	263,523	72,404	335,927
Change in fair value on trade receivables at FVOCI	-	-	-	-	-	-	-	-	-	-	-	(6,314)	(29,052)
Reclassification adjustment for cumulative loss included in profit or loss upon disposal of trade receivables measured at FVOCI	-	-	-	-	-	-	-	-	(22,738)	-	(22,738)	-	-
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-	27,126	-	27,126	8,539	35,665
- subsidiaries	-	-	-	-	-	-	-	25,386	-	-	25,386	795	26,181
- joint venture	-	-	-	-	-	-	-	195	-	-	195	-	195
Total comprehensive income (expense) for the period	-	-	-	-	-	-	-	25,381	4,388	263,523	293,492	75,424	368,916
Dividends paid	-	-	-	-	-	-	-	-	-	(156,459)	(156,459)	-	(156,459)
At 30 June 2025 (unaudited)	62,584	6,521	1,109	11,145	(9,842)	13,519	206,934	(56,822)	(14,055)	2,779,073	3,000,166	296,165	3,296,331

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

For the six months ended 30 June 2025

	Attributable to owners of the Company											Non-controlling interests	Total
	Share capital	Share premium	Capital redemption reserve	Capital reserve	Other reserve	Contributed surplus	Property revaluation reserve	Transition reserve	FVTOCI reserve	Retained profit	sub-total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 31 December 2023 (audited)	62,584	6,521	1,109	11,145	(12,744)	13,519	206,934	(50,662)	(22,114)	2,421,107	2,637,399	191,487	2,828,886
Profit for the period	-	-	-	-	-	-	-	-	-	330,288	330,288	111,799	442,087
Change in fair value on trade receivables at FVTOCI	-	-	-	-	-	-	-	-	(53,937)	-	(53,937)	(15,362)	(69,299)
Reclassification adjustment for cumulative loss included in profit or loss upon disposal of trade receivables measured at FVTOCI	-	-	-	-	-	-	-	-	51,214	-	51,214	15,838	67,052
Share of other comprehensive expense of an associate & a joint venture	-	-	-	-	-	-	-	2,880	-	-	2,880	-	2,880
Total comprehensive income (expense) for the period	-	-	-	-	-	-	-	2,880	(2,723)	330,288	330,445	112,275	442,720
Dividends paid	-	-	-	-	-	-	-	-	-	(156,459)	(156,459)	-	(156,459)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(180,000)	(180,000)
At 30 June 2024 (unaudited)	62,584	6,521	1,109	11,145	(12,744)	13,519	206,934	(47,782)	(24,837)	2,594,936	2,811,385	123,762	2,935,147



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Net cash from (used in) operating activities	1,355,057	(898,414)
Net cash from (used in) investing activities	129,995	(5,411)
Net cash from financing activities	92,575	365,518
Net increase (decrease) in cash and cash equivalents	1,577,627	(538,307)
Cash and cash equivalents at 1 January	2,927,070	1,580,146
Effect of foreign exchange rate changes	2,314	—
Cash and cash equivalents at 30 June, represented by bank balances and cash	4,507,011	1,041,839

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 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 D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

Other than new accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to HKFRSs

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

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



2 REVENUE

(a) Disaggregation of revenue from contracts with customers

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Types of goods and services		
Sales of electronic components and semiconductors	12,529,065	13,569,461
Sales of business equipment and provision of related ancillary services	32,649	33,407
Sales and contract works of LED lighting and display products	22,895	27,770
Revenue from contracts with customers	12,584,609	13,630,638
<i>Income from leasing activities</i>		
For operating leases—lease payment that are fixed:		
Rental income from investment properties	9,230	8,765
Rental income from LED lighting and display products	—	83
	9,230	8,848
Total revenue	12,593,839	13,639,486

2 REVENUE (Continued)

(a) Disaggregation of revenue from contracts with customers (Continued)

For the six months ended 30 June 2025				
	Sales of electronic components and semiconductors HK\$'000	Sales of business equipment and provision of related ancillary services HK\$'000	Sales and contract works of LED lighting and display products HK\$'000	Total HK\$'000
Geographical markets				
Hong Kong	8,541,416	31,675	16,265	8,589,356
Mainland China	3,258,349	–	3,032	3,261,381
Taiwan	319,850	–	–	319,850
Others	409,450	974	3,598	414,022
Revenue from contracts with customers	12,529,065	32,649	22,895	12,584,609
Rental income from investment properties				9,230
Rental income from LED lighting and display products				–
Total revenue				12,593,839



2 REVENUE (Continued)

(a) Disaggregation of revenue from contracts with customers (Continued)

For the six months ended 30 June 2024				
	Sales of electronic components and semiconductors HK\$'000	Sales of business equipment and provision of related ancillary services HK\$'000	Sales and contract works of LED lighting and display products HK\$'000	Total HK\$'000
Geographical markets				
Hong Kong	9,905,758	31,901	18,470	9,956,129
Mainland China	3,075,030	–	5,958	3,080,988
Taiwan	235,117	–	29	235,146
Others	353,556	1,506	3,313	358,375
Revenue from contracts with customers	13,569,461	33,407	27,770	13,630,638
Rental income from investment properties				8,765
Rental income from LED lighting and display products				83
Total revenue				13,639,486

2 REVENUE (Continued)

(a) Disaggregation of revenue from contracts with customers (Continued)

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Timing of revenue recognition		
A point in time	12,567,064	13,613,656
Overtime	17,545	16,982
Revenue from contracts with customers	12,584,609	13,630,638
Rental income from investment properties	9,230	8,765
Rental income from LED lighting and display products	—	83
Total revenue	12,593,839	13,639,486

(b) Information about major customer

Revenue from a customer individually contributing over 10% of the Group's revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Customer A	6,894,988	6,684,525



3 INCOME TAX EXPENSE

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
<hr/>		
The charge comprises:		
Hong Kong Profits Tax	51,605	74,808
Taiwan Corporate Income Tax	1,148	7,087
The People's Republic of China (the "PRC")		
Enterprise Income Tax	638	831
Deferred tax	(167)	(112)
	<hr/>	<hr/>
	53,224	82,614
	<hr/>	<hr/>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

Corporate Income Tax in Taiwan is charged at 20% for both periods.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

		For the six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
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(a) Profit for the period			
Profit for the period has been arrived at after charging (crediting):			
Staff costs, including directors' and chief executives remunerations			
– salaries and other benefits	56,143	52,259	
– performance related incentive payments	22,347	29,977	
– retirement benefits scheme contributions	6,960	6,321	
	<hr/>	<hr/>	
	85,450	88,557	
Depreciation of property, plant and equipment	13,899	14,243	
Depreciation of right-of-use assets	3,610	3,610	
Cost of inventories recognized as an expense (including reversal of allowance of inventories of HK\$83,811,000 (2024: Reversal of allowance of inventories of HK\$38,605,000))	12,005,890	12,826,444	
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4 PROFIT FOR THE PERIOD/OTHER INCOME/OTHER GAINS AND LOSSES *(Continued)*

For the six months ended 30 June		
	2025	2024
	HK\$'000	HK\$'000
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(b) Other income		
Interest income on bank deposits	18,018	8,142
Dividend income from equity investments	503	1,696
Interest income on finance leases	28	183
Others	11,269	16,065
	<hr/>	
	29,818	26,086
	<hr/> <hr/>	
(c) Other gains and losses, net		
Gain on disposal of financial assets at FVTPL	15,519	37
Net foreign exchange gain (losses)	11,629	(20,799)
Change in fair value of financial assets at FVTPL	1,046	2,280
Gain on disposal of property, plant and equipment, net	169	269
Loss on disposal of subsidiary	(51)	–
	<hr/>	
	28,312	(18,213)
	<hr/> <hr/>	

5 DIVIDEND PAID

The final dividend of HK25.00 cents per share amounting to HK\$156,459,360 for the financial year ended 31 December 2024 was approved on 20 May 2025 and paid on 4 June 2025.

6 BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share for the six months ended 30 June 2025 is based on the profit for the period attributable to owners of the Company of HK\$263,523,000 (2024: HK\$330,288,000) and on the weighted average number of 625,837,440 (2024: 625,837,440) ordinary shares in issued during the period.

7(a) TRADE AND OTHER RECEIVABLES/TRADE RECEIVABLES AT FVTOCI

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Trade receivables at amortised cost	903,945	1,267,244
Less: allowance for credit losses	(7,782)	(10,383)
	896,163	1,256,861
Other receivables	84,132	83,488
Prepayment and deposits paid	33,278	27,559
Total trade and other receivables	1,013,573	1,367,908

The Group allows credit period ranging from 30 days to 120 days to its trade customers.



7(a) TRADE AND OTHER RECEIVABLES/TRADE RECEIVABLES AT FVTOCI *(Continued)*

An aged analysis of trade receivables by due dates (net of allowance for credit losses) is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Not past due	585,109	943,715
Over due by:		
1-30 days	143,715	64,652
31-60 days	65,703	95,431
61-90 days	43,874	78,337
Over 90 days	57,762	74,726
Trade receivables	896,163	1,256,861
Other receivables	117,410	111,047
	1,013,573	1,367,908

During the period under review, the Group's five largest customers accounted for 66.2% (31 December 2024: 63.3%) of the Group's total revenue. Subsequent settlements after reporting period of the trade receivables from these major customers have been reviewed and are satisfactory requiring no provisions.

7(b) TRADE RECEIVABLES AT FVTOCI

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Trade receivables held for collecting contractual cash flows or factoring to banks	1,607,693	1,603,691

8 TRADE AND OTHER PAYABLES

An aged analysis of trade payables by due date is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Not past due	2,966,825	3,347,912
Over due by:		
1-30 days	298,176	302,691
31-60 days	82,663	45,028
61-90 days	37,073	43,062
Over 90 days	66,783	98,537
Trade payables	3,451,520	3,837,230
Other payables	800,228	798,856
	4,251,748	4,636,086



INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK15.0 cents (2024: HK15.0 cents) per share payable to the shareholders of the Company whose names appear on the register of members of the Company on 3 October 2025. The dividend warrants are expected to despatch to shareholders on or about 15 October 2025.

CLOSURE OF REGISTERS OF MEMBERS

The register of members of the Company will be closed from 30 September 2025 to 3 October 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited of 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on 29 September 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Distribution of Electronic Components and Semiconductor

During the period under review, demand of smartphone and consumer electronic products was temporary boosted by China national subsidy program in the first quarter. However, due to uncertainty on U.S. tariff and global trade policies, consumer demand was tempered. The Group's component team recorded sales revenue of HK\$12.53 billion for the six months ended 30 June 2025, decreased by 7.7% from HK\$13.57 billion recorded in the same period last year.

We keep focusing on our strategy to provide comprehensive portfolio of design and supply chain services to our target customers in the Greater China region by broadening our world's leading semiconductor supplier base as well as expending our geographical sales network.

Mobile Phone

According to IDC, worldwide smartphone shipments in 2025 are expected to have minimal increase to 1.25 billion units, increase by 0.6% from 1.24 billion units in 2024, due to the uncertainty of tariff, trade restrictions and economy volatility.

During the period under review, top global smartphone brands intensified competition by implementing their smartphone innovation driven strategy (AI capable, compact foldable design and enhanced photography experience etc) to achieve business growth. The Group recorded significant revenue in mobile phone segment by delivering broader range of competitive products such as larger storage DRAM and NAND flash memory chips, full screen high resolution display panels, large megapixel camera CMOS sensors, auto focus actuators, mobile payment security ICs, fingerprint, force touch, multi-function motion sensors, high-speed and wireless charging solutions to those branded handset manufacturers, design houses and camera module factories in the Greater China region.

Consumer Electronic

During the period under review, rising demand for AI PC and glasses, drones, smart robotic vacuum cleaners, EV control displays, cloud/edge computing and enterprise datacenters contributing the Group to record significant revenue in consumer electronics segment by delivering competitive system on chips, displays with high resolution and dynamic refresh rate, radio frequency modules, Bluetooth low energy solutions, larger storage memory chips, distance measurement and proximity sensors, optical couplers, frequency conversion ICs to our branded manufacturers.

Properties Investment

As of 30 June 2025, the Group carried the 17 units of investment properties (31 December 2024: 17 units) for commercial and industrial uses in Hong Kong and the PRC. The aggregate carrying value of investment properties amounted to HK\$515 million (31 December 2024: HK\$508 million). Such investment properties altogether generated rental income of HK\$9.2 million (1H 2024: HK\$8.8 million) with an annualized return of 3.6% (1H 2024: 2.7%).



OUTLOOK

Looking forward, the ongoing tensions over trade and technology between two biggest economies, the United States and China has added complexity to global supply chains and demand visibility. Also, the Group will continue to face severe headwinds to control operating costs amid the persistent currency volatility and high interest rates environment. The Group will continue to maintain a prudent approach with strong focus on cash flow management and capital expenditures.

We believe we are in a much better position than before against challenges and have confidence that the Group will maintain competitive in the Greater China region by virtue of our economies of scales, solid long-term customer relations supported by our strong financial strength, localized sales and engineers, competent inventory management and other value added services. By leveraging on our almost 45 years of experience, industry expertise and market recognition, we are confident to pursue a healthy and sustainable business growth and generate more returns to our shareholders.

FINANCIAL REVIEW

Results

For the six month period ended 30 June 2025, the Group recorded revenue of HK\$12,593,839,000, decreased by 7.7% from HK\$13,639,486,000 recorded in the same period last year. The Group's gross profit was HK\$579,120,000, decreased by 28% from HK\$804,243,000 recorded in the same period last year and gross profit margin was 4.6%, compared with 5.9% recorded in the same period last year. Profit attributable to the shareholders of the Company for the period ended 30 June 2025 was HK\$263,523,000 decreased by 20.2% compared with HK\$330,288,000 recorded in the same period last year. Basic earnings per share was HK42.11 cents (2024: HK52.78 cents).

Liquidity and Financial Resources

As of 30 June 2025, the Group's current ratio was 131% (31 December 2024: 128%) and The Group was in net cash position of HK\$1,940,546,000 (31 December 2024: net cash position of HK\$736,368,000), defined as the Group's total cash and bank balances plus financial assets at fair value through profit or loss minus total bank and other borrowings.

The Group recorded debtors turnover of approximately 36 days for the period under review (2024: 39 days) based on the amount of trade and bills receivable as at 30 June 2025 divided by sales for the same period and multiplied by 181 days (2024: 182 days).

The Group recorded inventory turnover and average payable period of approximately 32 days and 53 days respectively for the period under review (2024: approximately 29 days and 22 days respectively) based on the amount of inventory and trade and bills payables as at 30 June 2025, divided by cost of sales for the same period and multiplied by 181 days (2024: 182 days).

During the six months period ended 30 June 2025, the Group recorded net operating cash inflow of HK\$1,355,057,000 compared with net operating cash outflow of HK\$898,414,000 in same period last year.

Foreign Exchange Risk Management

The Group has foreign currency sales and purchases, bank deposits and borrowings primary in United States dollars and Renminbi which expose the Group to foreign currency risk.

The Group will enter into foreign currency forward contracts to hedge the currency risk related to its payable denominated in foreign currencies if necessary.

Pledge of Assets

As at 30 June 2025, certain of the Group's assets (including land and building, bank deposits and factored trade receivables) with the carrying value of totaling approximately HK\$489 million were pledged to banks to secure general banking facilities granted to the Group.



Employee and Remuneration Policy

At 30 June 2025, the Group employed approximately 500 employees in the Greater China region. The Group ensures that their employees are offered competitive remuneration packages. Other staff benefits include provident fund schemes and medical insurance. Also, discretionary bonus was granted to eligible employees based on the Group's financial results and individual performance.

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 30 June 2025, the interests of the directors of the Company in the shares and underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to section 352 of the Securities and Future Ordinance ("**SFO**"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions

(a) Ordinary shares of HK\$0.10 each of the Company

Name of directors	Capacity	Number of issued ordinary shares held	Percentage of issued share capital of the Company
Dr. Yim Yuk Lun, Stanley <i>SBS BBS JP</i>	Beneficial owner	114,800,000	18.34%
	Held by controlled corporation (<i>Note 1</i>)	227,542,800	36.36%
		<u>342,342,800</u>	<u>54.70%</u>
Wong Sui Chuen	Beneficial owner	1,824,000	0.29%
Tsui Chi Wing, Eric	Beneficial owner	714,800	0.11%

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Long positions (Continued)

(b) Ordinary shares of HK\$0.1 each of V & V Technology Holdings Limited ("V & V Technology")

Name of directors	Capacity	Number of issued ordinary shares held	Percentage of issued share capital of V & V Technology
Dr. Yim Yuk Lun, Stanley <i>SBS BBS JP</i>	Beneficial owner (Note 2)	12,936,858	8.90
	Held by controlled corporation (Note 2)	85,928,447	59.11
		<u>98,865,305</u>	<u>68.01</u>
Wong Wai Tai	Beneficial owner	500,000	0.34%
Tsui Chi Wing, Eric	Beneficial owner	323,375	0.22%
Wong Sui Chuen	Beneficial owner	253,132	0.17%
Yim Tsz Kit, Jacky	Beneficial owner	30,000	0.02%

Notes:

- These shares are held by Unimicro Limited, a company incorporated in the British Virgin Islands, which is beneficially owned by Dr. Yim Yuk Lun, Stanley *SBS BBS JP*.
- Dr. Yim Yuk Lun, Stanley *SBS BBS JP* beneficially owns 12,936,858 V & V Technology shares and is the controlling shareholder of the Company; he is therefore under the SFO deemed to be interested in 85,928,447 V & V Technology shares held by S.A.S. Investment Company Limited ("S.A.S. Investment") which is a wholly-owned subsidiary of the Company.



DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Long positions (Continued)

(b) Ordinary shares of HK\$0.1 each of V & V Technology Holdings Limited ("V & V Technology") (Continued)

Save as disclosed above and other than certain nominee shares in subsidiaries held by certain directors in trust for the Company, none of the directors or chief executives or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations at 30 June 2025.

SUBSTANTIAL SHAREHOLDERS

At 30 June 2025, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

Long positions

Ordinary shares of HK\$0.10 each of the Company

Name of shareholders	Capacity	Number of issued ordinary shares held	Percentage of issued share capital of the Company
Hon Hai Precision Industry Co. Ltd ("Hon Hai")	Held by controlled corporation (Note)	124,000,000	19.81%
Foxconn Infinite Pte. Limited ("Foxconn")	Beneficial owner	124,000,000	19.81%

Note: Hon Hai owns 100% interest in Foxconn and is accordingly deemed to be interested in those ordinary shares of the Company beneficially owned by Foxconn.

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company at 30 June 2025.

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

During the period under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

The Group has complied with the applicable code provisions in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules (the "**Code**") throughout the six months ended 30 June 2025, except for the following deviations:

Under the code provision C.1.7 of the Code, provides that an issuer should arrange appropriate insurance cover in respect of legal action against its directors. With regular and timely communications among the Directors and the management of the Group, the management of the Group believes that all potential claims and legal actions against the Directors can be handled effectively, and the possibility of actual litigation against the Directors is very low. The Company will consider to make such an arrangement as and when it thinks necessary.

Under the code provision C.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not performed by the same individual. Having considered the current business operation and the size of the Group, the Board is of the view that Dr. Yim Yuk Lun, Stanley *SBS BBS JP* acting as both the Chairman and the Managing Director of the Group is acceptable and in the best interest of the Group.

Under the code provision B.2.2 of the Code, every director should be appointed for a specific term and subject to re-election. The executive directors and non-executive director have not been appointed for a specific term. However, according to the Bye-laws of the Company, one-third of the directors for the time being shall retire from office by rotation at each annual general meeting. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are similar to those in the Code.



AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with management the accounting principles and policies adopted by the Group, internal control, risk management and the unaudited interim financial statements for the six months ended 30 June 2025.

MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies contained in Appendix C3 of the Listing Rules (the “**Model Code**”) as the code of conduct regarding directors’ securities transactions.

Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2025.

UPDATE ON DIRECTORS’ INFORMATION

Pursuant to rule 13.51B of the Listing Rules, the change of directors’ information of the Company since the date of 2024 annual report is as follows:

Ms. Yim Kei Man, Carmen has been appointed as a member of the nomination committee of the Board with effect from 27 June 2025; and

Mr. Wong Sui Chuen has ceased to be a member of the nomination committee of the Board with effect from 27 June 2025.

APPRECIATION

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

On behalf of the Board
S.A.S. Dragon Holdings Limited
Dr. Yim Yuk Lun, Stanley *SBS BBS JP*
Chairman and Managing Director

Hong Kong, 25 August 2025