南粵控股
NAMYUE HOLDINGS

NAMYUE HOLDINGS LIMITED
南粵控股有限公司

(Incorporated in Hong Kong with limited liability)
(於香港註冊成立之有限公司)
Stock Code 股份代號：01058

INTERIM REPORT 2025
中期報告

Contents

Corporate Information

As at 22 August 2025

BOARD OF DIRECTORS

Executive Directors

Zhou Hao *(Chairman and Managing Director)*
Liao Siyang *(Deputy Managing Director)*

Non-Executive Directors

Huang Junfeng
Kuang Hu
Li Jieyu

Independent Non-Executive Directors

Yeung Man Lee, *BBS, JP*
Leung Luen Cheong
Yang Ge

NOMINATION COMMITTEE

Zhou Hao *(Chairman)*
Yeung Man Lee
Leung Luen Cheong
Yang Ge
Li Jieyu

AUDIT COMMITTEE

Yang Ge *(Chairman)*
Yeung Man Lee
Leung Luen Cheong

REMUNERATION COMMITTEE

Leung Luen Cheong *(Chairman)*
Yeung Man Lee
Yang Ge

COMPANY SECRETARY

Chan Miu Ting

AUDITOR

ZHONGHUI ANDA CPA Limited
Certified Public Accountants

REGISTERED OFFICE

29th Floor, Guangdong Investment Tower
148 Connaught Road Central
Hong Kong

Telephone	:	(852) 2308 1013
Website	:	www.namyueholdings.com

SHARE REGISTRAR

Tricor Investor Services Limited
17th Floor, Far East Finance Centre
16 Harcourt Road
Hong Kong
Customer Service Hotline: (852) 2980 1333

SHARE INFORMATION

Place of Listing	:	Main Board of The Stock Exchange of Hong Kong Limited
Stock Code	:	01058
Board Lot	:	2,000 shares
Financial Year End	:	31 December

Management Discussion and Analysis

RESULTS

The unaudited consolidated loss attributable to shareholders of Namyue Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2025 was HK$6,064,000, representing an increase in loss of HK$65,000 or 1.1% from HK$5,999,000 for the corresponding period last year.

The unaudited net asset value of the Group as at 30 June 2025 was HK$14,064,000, representing a decrease of HK$4,997,000 and HK$33,232,000 respectively as compared to the net asset value as at 31 December 2024 and 30 June 2024.

The board of directors of the Company (the "Board") resolved not to declare the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

BUSINESS REVIEW

In the first half of 2025, the domestic and international economic environment was complex and volatile. Domestically, faced with weak consumer confidence and economic growth pressures, the State Council launched a multi-dimensional plan to boost consumption. This included issuing ultra-long-term special government bonds to support trade-in of consumer goods, as well as implementing targeted policies in areas such as increasing residents' income, optimizing the consumption environment, and promoting the upgrading of service consumption. These measures aimed to stimulate market vitality and unlock consumption potential. Internationally, in the face of changes in the international trade environment, particularly the challenges posed by the United States' reciprocal tariff policy, China has brought new development opportunities for industrial upgrading and market restructuring through its comprehensive industrial chain, continuous technological innovation, and efficient production organization capabilities. Against this backdrop, the Group firmly adhered to its work policy of "turning losses into profits, improving quality and efficiency." Combining this with the actual situation of the Company, it pragmatically promoted various tasks, comprehensively focused on its main responsibilities and core businesses, strengthened management, reduced costs, maintained stable production and operations, effectively promoted the transformation of subcontracting, and enhanced the core competitiveness of the enterprise.

During the period, the Group's gross profit margin was 1.4%, with operating losses remaining similar to the same period of last year. The Group effectively improved operational efficiency through measures such as optimizing inventory management and expanding the subcontracting business. In particular, in terms of inventory management, the Group continued to optimize the sale of those inventories with higher costs and lower product grades from previous years, thereby improving inventory management efficiency. Combined with the growth of subcontracting business, the Group further reduced operating costs through a series of measures, including strict control of administrative expenses and strengthened management of accounts receivable, driving steady improvement in overall operations.

BUSINESS REVIEW (CONTINUED)

In the course of deepening energy conservation and emission reduction initiatives, the Group had achieved notable results, including: the replacement of nearly 30,000 square meters of factory roof sandwich panels through successful introduction and implementation of a photovoltaic power generation project. This not only eliminated safety hazards but also effectively reduced production costs by leveraging off-peak electricity pricing incentives and utilizing clean energy. Additionally, the Group was recognized as an industrial enterprise in Jiangsu Province that had achieved national water consumption standards for 2024 due to its outstanding performance in water efficiency. Those water conservation efforts resulted in a corresponding reduction in water fees. During the period, the Group also optimized and renovated the steam pipelines in the plant and adjusted the winding steam pipelines, which would expect to save 15% to 20% of steam usage. These measures not only demonstrated the Group's active fulfillment of its social responsibilities, but also laid the foundation for sustainable development.

During the period, the production volume of subcontracting business was 14,325,000 sq. ft., representing an increase of 8,013,000 sq. ft. or 127.0% as compared to 6,312,000 sq. ft. for the corresponding period last year. The total production volume of cowhides was 738,000 sq. ft., representing a decrease of 941,000 sq. ft. or 56.0% as compared to 1,679,000 sq. ft. for the corresponding period last year. No grey hides was produced during the period (six months ended 30 June 2024: 384 tons).

During the period, the sales volume of subcontracting business was 14,325,000 sq. ft., representing an increase of 8,013,000 sq. ft. or 127.0% as compared to 6,312,000 sq. ft. for the corresponding period last year. The total sales volume of cowhides was 1,537,000 sq. ft., representing a decrease of 1,261,000 sq. ft. or 45.1% as compared to 2,798,000 sq. ft. for the corresponding period last year. No grey hides was sold during the period (six months ended 30 June 2024: 384 tons).

During the period, the consolidated revenue of the Group was HK$34,606,000, representing a decrease of HK$7,512,000 or 17.8% from HK$42,118,000 for the corresponding period last year, of which the subcontracting business amounted to HK$21,171,000 (six months ended 30 June 2024: HK$13,512,000), representing an increase of 56.7%; the sales value of cowhides amounted to HK$13,435,000 (six months ended 30 June 2024: HK$26,467,000), representing a decrease of 49.2%; and that of grey hides amounted to Nil (six months ended 30 June 2024: HK$2,139,000).

BUSINESS REVIEW (CONTINUED)

In the first half of 2025, the Group successfully stabilized the number of customers for its subcontracting business and basically achieved smooth operation of the entire production process. The output of various finished and semi-finished products from the subcontracting business increased by 127.0% as compared to the corresponding period last year, effectively diluting unit fixed manufacturing costs and further supporting the Group's operational stability. In order to make better use of existing plant facilities to further increase production capacity, the Group has invested the necessary funds to improve production facilities and introduced subcontracting customers to invest in machinery and equipment, thereby increasing production volume and product quality and ensuring close cooperation. The transition to a subcontracting model has not only ensured the most effective and reasonable use of production and capital flow, but has also brought about substantial operational improvements.

During the period, the Group continued to further enhance its energy conservation and consumption reduction measures, promoted transformation and development, and reduced unnecessary expenses in order to lower costs while improving overall efficiency. Specific measures included: reasonably adjusting the storage areas for raw materials, leather crusts, and blue hides, reducing the number of goods transferred between the two plants, thereby saving fuel and labour costs. Meanwhile, a comprehensive inspection of the plant area was conducted to promptly repair leaks of water, gas, and oil, thereby reducing resource waste. In addition, the Group thoroughly cleaned the hair filter machine, strengthened the fur trimming process, and purchased filter press water trays to reduce solid waste weight. By leasing special equipments such as forklifts, the Group successfully saved the maintenance and repair costs as well as hydraulic oil costs. In terms of procurement, the Group continued to advocate transparent procurement through platforms such as "gdycy.com" and "JD.com" to reduce procurement costs. During the period, the Group procured auxiliary raw materials that matched production based on actual product conditions, with a total procurement amount of HK$12,382,000, representing a decrease of 2.7% as compared to the corresponding period last year. These measures demonstrate the Group's excellent results in cost control and resource optimization.

As at 30 June 2025, the Group's consolidated inventory amounted to HK$18,686,000 (31 December 2024: HK$24,048,000), representing a decrease of HK$5,362,000 or 22.3% as compared to that as at 31 December 2024. With ensuring positive cash flow as its priority task, the Group continued to take effective measures to reduce inventory. During the period, the Group sought suitable customers to promote finished inventory, strengthened integration and reorganization, and implemented effective inventory management based on different regions, customers, and tasks. In addition, the Group implemented effective order production for retained semi-finished products and achieved destocking through product innovation. The Group has reassessed the value of inventories based on its ageing and net realizable value and made a net reversal of provision for inventories of HK$5,101,000 for the six months ended 30 June 2025 (six months ended 30 June 2024: HK$10,451,000).

BUSINESS REVIEW (CONTINUED)

As at 30 June 2025, the Group's property, plant and equipment amounted to HK$37,019,000 (31 December 2024: HK$37,277,000), representing a decrease of HK$258,000 or 0.7% as compared to that as at 31 December 2024. In view of the loss on the Group's operating results during the period, the recoverable amount of plant and equipment was calculated by using value in use based on the discounted cash flow method, and an impairment loss on plant and equipment of HK$1,089,000 was made for the six months ended 30 June 2025 (six months ended 30 June 2024: HK$396,000).

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 June 2025, the Group's cash and cash equivalents amounted to HK$3,043,000 (31 December 2024: HK$3,419,000), representing a decrease of HK$376,000 or 11.0% as compared to 31 December 2024, of which 2.9% were in Hong Kong dollars, 94.0% in Renminbi and 3.1% in United States dollars. Net cash inflow from operating activities for the period was HK$2,327,000, which was mainly attributable to the decrease in inventories. Net cash outflow from investing activities was HK$2,717,000, which was mainly attributable to the increase in pledged bank balances and payment for renovations and purchase of equipment. Net cash outflow from financing activities was HK$40,000, which was mainly attributable to the payment of lease expenses.

As at 30 June 2025, the Group had interest-bearing borrowing in Renminbi amounted to HK$8,773,000 (31 December 2024: HK$8,639,000), charged at fixed rate. The Group's banking facilities secured by pledged bank balances, buildings, and right-of-use assets of HK$46,367,000 in total.

As at 30 June 2025, the Group's gearing ratio of interest-bearing borrowings to shareholders' equity plus interest-bearing borrowings was 38.4% (ratio as at 31 December 2024: 31.2%). The annual interest rate of loan interest and discount interest during the period was approximately 1.6% to 3.9%. During the period, the Group's interest expenses amounted to HK$209,000, representing a decrease of 29.2% as compared to the corresponding period of last year, which was mainly attributable to the decrease in borrowings.

As at 30 June 2025, the Group's total banking facilities amounted to HK$38,381,000, all of which were unutilized (31 December 2024: HK$37,797,000, all of which were unutilized). Taking into account the existing cash resources and available credit facilities, the Group has sufficient financial resources to meet its daily operational requirements.

Capital Expenditure

As at 30 June 2025, the net amount of non-current assets including property, plant and equipment and right-of-use assets amounted to HK$47,304,000, representing a decrease of HK$247,000 over the net value of HK$47,551,000 as at 31 December 2024. The capital expenditure for the period amounted to HK$1,114,000 (six months ended 30 June 2024: HK$415,000) in total, which was mainly attributable to the payment of renovations as well as acquisition of equipment to meet the production needs of the Group.

Pledge of Assets

As at 30 June 2025, the Group's bank deposits of HK$3,469,000 (31 December 2024: HK$1,297,000), buildings of HK$32,613,000 (31 December 2024: HK$32,851,000) and right-of-use assets of HK$10,285,000 (31 December 2024: HK$10,274,000) were pledged to a bank to secure general banking facilities.

FINANCIAL REVIEW (CONTINUED)

Foreign Exchange Exposure

The assets, liabilities and transactions of the Group are basically denominated in Hong Kong dollars, United States dollars or Renminbi. The Group is exposed to foreign currency risk primarily from purchases from overseas suppliers that are denominated in a currency other than the functional currency of the operations to which they relate. The currency giving rise to this risk is mainly the United States dollars against Renminbi. The Group did not hedge its exposure to risks arising from fluctuations in exchange rates during the period. Should the Group consider that its exposure to foreign currency risk justifies hedging, it may use forward or hedging contracts to reduce the risks.

REMUNERATION POLICY FOR EMPLOYEES

As at 30 June 2025, the Group had 232 staff (31 December 2024: 261). The Group's remuneration policy is based on its operating results and the employees' performance. The Group has adopted a performance-based quantitative appraisal scheme for its employees and established an operation assessment mechanism focusing on "accountability and performance". Based on the Group's operating efficiency, the incentive scheme provides bonuses to the management, key officers and outstanding employees according to different ranking and individual performance, which effectively motivates employees to make contribution. In addition, the Group offered social and medical insurance coverage and pension schemes to all employees in different areas.

PROSPECTS

Despite global tariff policy changes and intensified competition from alternative materials, the Group will continue to adopt its core strategy of "increasing revenue and reducing expenses, reducing losses and improving efficiency" to actively respond to market changes and seize opportunities arising from the growing demand for natural leather in the casual sports footwear sector. The Group will further expand its subcontracting business, optimize the procurement rhythm of raw hides, strengthen long-term cooperation with high-quality customers to improve capacity utilization, and ensure stable production. Meanwhile, the Group will closely monitor changes in tariff policies and improve production capacity through equipment upgrades and renovations to strengthen overall production efficiency.

In terms of cost control, the Group will strictly implement energy-saving and consumption-reduction measures, strengthen material management, and reduce waste and unnecessary expenses. The Group will continue to reduce inventory and collect accounts receivable, optimize its asset liability structure, and improve cash flow. In addition, we will increase our efforts in new product research and development, focusing on development of high value-added products to meet market demand for high-quality leather and enhance our competitiveness. In terms of human resources, the Group will further improve the skills of production line employees and optimize departmental configurations to ensure that resources are concentrated on core businesses. In risk management, the Group will strengthen accounts receivable monitoring, strictly comply with environmental protection regulations, ensure compliance with emission standards, and fulfill its corporate social responsibilities.

Looking ahead, the Group will consolidate its traditional leather business while actively exploring new business opportunities to diversify its revenue streams, enhance its long-term growth potential, and create greater value for shareholders. In the second half of 2025, the Group will implement various measures to further reduce losses and lay a solid foundation for future market recovery.

Report on Review of Interim Financial Information

中汇
ZHONGHUI

INDEPENDENT REVIEW REPORT
TO THE BOARD OF DIRECTORS OF NAMYUE HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 9 to 27 which comprises the condensed consolidated statement of financial position of Namyue Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the interim financial information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34. Our responsibility is to express a conclusion on this interim financial information based on our review 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" issued by the HKICPA. A review of interim financial information consists of making inquiries, 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 information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34.

EMPHASIS OF MATTER

We draw attention to Note 2 to the condensed consolidated financial statements which mentions that the Group incurred a loss of approximately HK$6,064,000 for the six months ended 30 June 2025 and as at 30 June 2025 the Group had net current liabilities of approximately HK$28,727,000. These conditions indicate a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Li Shun Fai
Practising Certificate Number P05498

Hong Kong, 22 August 2025

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

	Notes	For the six months ended 30 June 2025 HK$'000 (Unaudited)	2024 HK$'000 (Unaudited)
REVENUE	*6*	**34,606**	42,118
Cost of sales		**(34,137)**	(36,756)
Gross profit		**469**	5,362
Other income and losses, net	*7*	**1,721**	534
Selling and distribution expenses		**(333)**	(446)
Administrative expenses		**(9,872)**	(10,533)
Impairment on items of plant and equipment		**(1,089)**	(396)
Other operating income/(expenses), net	*7*	**3,036**	(417)
Finance costs	*8*	**(209)**	(295)
LOSS BEFORE TAX	*9*	**(6,277)**	(6,191)
Income tax credit	*10*	**213**	192
LOSS FOR THE PERIOD		**(6,064)**	(5,999)
LOSS PER SHARE	*11*		
– Basic		**HK$(1.13) cents**	HK$(1.12) cents
– Diluted		**HK$(1.13) cents**	HK$(1.12) cents

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
LOSS FOR THE PERIOD	**(6,064)**	(5,999)
OTHER COMPREHENSIVE INCOME/(EXPENSES)		
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Surplus on revaluation of buildings	**908**	1,076
Income tax effect	**(227)**	(269)
	681	807
Other comprehensive income/(expenses) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**386**	(423)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**1,067**	384
TOTAL COMPREHENSIVE EXPENSES FOR THE PERIOD	**(4,997)**	(5,615)

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		37,019	37,277
Right-of-use assets		10,285	10,274
		47,304	47,551
CURRENT ASSETS			
Inventories		18,686	24,048
Receivables, prepayments and deposits	*13*	21,234	20,839
Pledged bank balances		3,469	1,297
Cash and bank balances		3,043	3,419
		46,432	49,603
CURRENT LIABILITIES			
Trade and bills payables	*14*	34,926	36,759
Other payables, accruals and provision	*15*	30,329	27,061
Interest-bearing bank borrowing	*16*	8,773	8,639
Due to a PRC joint venture partner		1,131	1,131
		75,159	73,590
NET CURRENT LIABILITIES		(28,727)	(23,987)
TOTAL ASSETS LESS CURRENT LIABILITIES		18,577	23,564
NON-CURRENT LIABILITIES			
Deferred tax liabilities		4,513	4,503
		4,513	4,503
NET ASSETS		14,064	19,061
EQUITY			
Share capital	*17*	75,032	75,032
Reserves	*18*	(60,968)	(55,971)
TOTAL EQUITY		14,064	19,061

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital HK$'000	Equity component of convertible notes HK$'000	General reserve fund HK$'000 (note 18(a))	Reserve funds HK$'000 (note 18(c))	Capital reserve HK$'000 (note 18(d))	Exchange translation reserve HK$'000	Property revaluation reserve HK$'000	Special capital reserve HK$'000 (note 18(b))	Accumulated losses HK$'000	Total HK$'000
At 1 January 2024 (Audited)	75,032	5,545*	167,746*	20,239*	167,920*	64,414*	11,849*	598*	(460,432)*	52,911
Loss for the period (Unaudited)	–	–	–	–	–	–	–	–	(5,999)	(5,999)
Other comprehensive income/(expenses) for the period (Unaudited):										
– Surplus on revaluation of buildings, net of tax	–	–	–	–	–	–	807	–	–	807
– Exchange differences on translation of foreign operations	–	–	–	–	–	(423)	–	–	–	(423)
Total comprehensive income/(expenses) for the period (Unaudited)	–	–	–	–	–	(423)	807	–	(5,999)	(5,615)
Transfer from property revaluation reserve to accumulated losses (Unaudited)	–	–	–	–	–	–	(768)	–	768	–
Transfer from accumulated losses in accordance with the undertaking (Unaudited)	–	–	–	–	–	–	–	109	(109)	–
At 30 June 2024 (Unaudited)	75,032	5,545*	167,746*	20,239*	167,920*	63,991*	11,888*	707*	(465,772)*	47,296
At 1 January 2025 (Audited)	75,032	5,545*	167,746*	20,239*	167,920*	63,596*	11,239*	927*	(493,183)*	19,061
Loss for the period (Unaudited)	–	–	–	–	–	–	–	–	(6,064)	(6,064)
Other comprehensive income for the period (Unaudited):										
– Surplus on revaluation of buildings, net of tax	–	–	–	–	–	–	681	–	–	681
– Exchange differences on translation of foreign operations	–	–	–	–	–	386	–	–	–	386
Total comprehensive income/(expenses) for the period (Unaudited)	–	–	–	–	–	386	681	–	(6,064)	(4,997)
Transfer from property revaluation reserve to accumulated losses (Unaudited)	–	–	–	–	–	–	(861)	–	861	–
Transfer to accumulated losses in accordance with the undertaking (Unaudited)	–	–	–	–	–	–	–	(233)	233	–
At 30 June 2025 (Unaudited)	75,032	5,545*	167,746*	20,239*	167,920*	63,982*	11,059*	694*	(498,153)*	14,064

* These reserve accounts comprise the consolidated deficit reserves of approximately HK$60,968,000 (31 December 2024: HK$55,971,000) in the condensed consolidated statement of financial position as at 30 June 2025.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025 *HK$'000* (Unaudited)	2024 *HK$'000* (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(6,277)	(6,191)
Adjustments for:		
Finance costs	209	295
Finance income	(8)	(6)
Gains on disposal of property, plant and equipment	(527)	(124)
Depreciation of property, plant and equipment	1,759	1,650
Depreciation for right-of-use assets	146	148
Reversal of provision for inventories	(5,101)	(10,451)
(Reversal of impairment)/impairment on trade receivables	(1,738)	417
Impairment on items of plant and equipment	1,089	396
Reversal of accruals and payables	(1,298)	–
Written-off of property, plant and equipment	–	30
Operating cash flows before working capital changes	(11,746)	(13,836)
Change in inventories	10,777	20,992
Change in receivables, prepayments and deposits	1,663	(956)
Change in trade and bills payables	(2,370)	5,609
Change in other payables, accruals and provision	4,206	1,019
Change in interest-bearing bank borrowings	–	(464)
Cash generated from operations	2,530	12,364
Interest received	8	6
Interest paid	(209)	(295)
Income tax paid	(2)	–
Net cash flows generated from operating activities	2,327	12,075
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	(1,114)	(415)
Proceeds from disposal of property, plant and equipment	527	124
Change in pledged bank balances	(2,130)	(1,438)
Net cash flows used in investing activities	(2,717)	(1,729)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of interest-bearing bank borrowings	–	(14,307)
Principal portion of lease payments	(40)	(39)
Net cash flows used in financing activities	(40)	(14,346)

Condensed Consolidated Statement of Cash Flows (continued)

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(430)	(4,000)
Cash and cash equivalents at beginning of period	3,419	7,139
Effect of foreign exchange rate changes, net	54	(30)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	3,043	3,109
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	3,043	3,109

1. GENERAL INFORMATION

Namyue Holdings Limited (the "Company") is a limited liability company incorporated in Hong Kong. The registered office and principal place of business of the Company is located at 29/F, Guangdong Investment Tower, 148 Connaught Road Central, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in the processing and sale of semi-finished and finished leather, and subcontracted leather processing.

In the opinion of the directors of the Company (the "Directors"), as at the date of issue of these condensed consolidated financial statements, Nam Yue (Group) Company Limited, a company incorporated in Macao, is the immediate holding company of the Company; and 廣東南粵集團有限公司 (Guangdong Nam Yue Group Corporation Limited), which is established in the People's Republic of China (the "PRC" or "Mainland China"), is the ultimate holding company of the Company.

The condensed consolidated statement of financial position as at 30 June 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes of equity and the condensed consolidated statement of cash flows for the six-month period then ended, and notes to interim condensed consolidated financial statements (collectively defined as the "Interim Financial Information") of the Group were approved by the Board of Directors (the "Board") on 22 August 2025.

The financial information relating to the year ended 31 December 2024 that is included in this unaudited Interim Financial Information as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that year but is derived from those consolidated financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Chapter 622) is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Chapter 622).

The Company's auditor has reported on those consolidated financial statements for the year ended 31 December 2024. The auditor's report was unqualified; include a reference to material uncertainty related to the going concern which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Chapter 622).

The Interim Financial Information are presented in Hong Kong dollars (the "HK$") and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

This Interim Financial Information have been reviewed, not audited.

2. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

These condensed consolidated financial statements should be read in conjunction with the 2024 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2024.

Going Concern

The Group incurred a loss of approximately HK$6,064,000 for the six months ended 30 June 2025 and as at 30 June 2025, the Group had net current liabilities of approximately HK$28,727,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors have been undertaking a number of plans and measures to improve the Group's liquidity and financial position, including:

(i) the Group had renewed the pledged bank facilities amounting to RMB35,000,000 up to April 2027 with Bank of Nanjing Co., Ltd. and had a bank borrowing amounting to RMB8,000,000 with China Everbright Bank Co., Ltd. up to July 2026 to finance daily operation;

(ii) the Directors continue to strengthen and implement a variety of measures to improve the working capital and cash flows of the Group, including closely monitoring the production costs, selling and distribution expenses, and general administrative and operating expenses; and

(iii) the Directors are actively seeking new business opportunities to achieve profitability and abundant working capital, and explore new sources of income.

Based on the cash flow projection of the Group and having taken into account the available financial resources of the Group and the above measures, the Directors consider that the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the foreseeable future, and accordingly, are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these condensed consolidated financial statements.

3. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

In the current period, the Group has adopted all the new and revised HKFRS Accounting Standards that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current period and prior years.

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

4. FAIR VALUE MEASUREMENTS

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognize transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

4. FAIR VALUE MEASUREMENTS (CONTINUED)

(a) Disclosures of level in fair value hierarchy:

Description	Fair value measurements using Level 1 *HK$'000*	Level 2 *HK$'000*	Level 3 *HK$'000*	Total *HK$'000*
Recurring fair value measurements:				
At 30 June 2025 (Unaudited)				
Debt investments at fair value through other comprehensive income ("DIFVOCI")				
Bills receivable	–	675	–	675
At 31 December 2024 (Audited)				
DIFVOCI				
Bills receivable	–	2,973	–	2,973

(b) Disclosures of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 30 June 2025 and 31 December 2024:

The head of the finance department of the Group is responsible for determining the policies and procedures for the fair value measurement, including level 3 fair value measurements. The head of the finance department reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting for the year ending 31 December 2025 (year ended 31 December 2024: twice a year for interim and annual financial reporting).

Level 2 fair value measurements on bills receivable

Description	Valuation techniques	Inputs	Fair value As at 30 June 2025 *HK$'000* (Unaudited)	As at 31 December 2024 *HK$'000* (Audited)
Bills receivable	Discount cash flow	Discount rate	675	2,973

During the six months ended 30 June 2025 and year ended 31 December 2024, there were no changes in the valuation techniques used.

During the six months ended 30 June 2025 and year ended 31 December 2024, there was no transfer between Level 1, Level 2 or transfer into or out of Level 3.

5. OPERATING SEGMENT INFORMATION

No separate analysis of segment information is presented by the Group as over 90% of the Group's revenue, results and assets relate to the processing and sale of semi-finished and finished leather, and subcontracted leather processing in the PRC.

Information about major customers

The revenue from customers individually contributed over 10% of the consolidated revenue of the Group are as follows:

	For the six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Customer A	4,024	4,465
Customer B	3,986	N/A*
Customer C	3,481	N/A*

* Each of the revenue from Customer B and Customer C contributed not more than 10% of the Group's revenue each individually for the six months ended 30 June 2024, therefore the amounts are not disclosed.

6. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Sale of processed leather	13,435	28,606
Subcontracted leather processing	21,171	13,512
	34,606	42,118

Revenue is recognized when goods are transferred at a point in time to customers.

7. OTHER INCOME AND LOSSES, AND OTHER OPERATING INCOME/(EXPENSES), NET

(a) Other income and losses, net

	For the six months ended 30 June	
	2025 *HK$'000* (Unaudited)	2024 *HK$'000* (Unaudited)
Finance income	8	6
Sale of scrap materials in Mainland China	1,023	900
Government grants	1	-
Gains on disposal of property, plant and equipment	527	124
Net exchange losses	(11)	(69)
Others	173	(427)
	1,721	534

(b) Other operating income/(expenses), net

	For the six months ended 30 June	
	2025 *HK$'000* (Unaudited)	2024 *HK$'000* (Unaudited)
Reversal of impairment/(impairment) on trade receivables	1,738	(417)
Reversal of accruals and payables	1,298	–
	3,036	(417)

8. FINANCE COSTS

	For the six months ended 30 June	
	2025 *HK$'000* (Unaudited)	2024 *HK$'000* (Unaudited)
Bank loans and discounting bills receivable to banks	207	292
Lease liabilities	2	3
	209	295

9. LOSS BEFORE TAX

The Group's loss before tax is stated after charging the following:

	For the six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold*	**39,238**	47,207
Depreciation of property, plant and equipment	**1,759**	1,650
Depreciation for right-of-use assets	**146**	148
Impairment on items of plant and equipment	**1,089**	396
Reversal of provision for inventories*	**(5,101)**	(10,451)

* These items are included in "Cost of sales" on the face of the condensed consolidated statement of profit or loss.

10. INCOME TAX CREDIT

No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2025 (six months ended 30 June 2024: Nil). Taxes on profits assessable in Mainland China have been calculated at the rate of tax prevailing in Mainland China in which the Group operates.

	For the six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Group – Mainland China		
Provision for the period	**2**	–
Deferred tax	**(215)**	(192)
	(213)	(192)

11. LOSS PER SHARE

The calculation of basic loss per share amounts is based on the loss for the period of approximately HK$6,064,000 (six months ended 30 June 2024: HK$5,999,000) and the weighted average number of ordinary shares of 538,019,000 (30 June 2024: 538,019,000) in issue during the six months ended 30 June 2025.

No adjustment has been made to the basic loss per share amounts presented for the six months ended 30 June 2025 and 2024 in the calculation of diluted loss per share as there were no dilutive events during the six months ended 30 June 2025 and 2024.

12. DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

13. RECEIVABLES, PREPAYMENTS AND DEPOSITS

	As at 30 June 2025 *HK$'000* (Unaudited)	As at 31 December 2024 *HK$'000* (Audited)
Trade receivables	19,185	16,230
Bills receivables	675	2,973
Prepayments, deposits and other receivables	1,222	1,472
Amount due from a director	152	164
	21,234	20,839

The Group's trading terms with customers are mainly on credit, except for new customers, where payment in advance is normally required. Invoices are normally payable within 30 days of issuance, except for certain well-established customers, where the terms are extended to 150 days. Each customer has a maximum credit limit. The Group seeks to maintain tight control over its outstanding receivables in order to minimize credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing. The carrying amounts of trade and bills receivables approximate their fair values.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 June 2025 *HK$'000* (Unaudited)	As at 31 December 2024 *HK$'000* (Audited)
Within 3 months	14,803	16,621
3 to 6 months	4,557	1,883
6 to 12 months	878	3,284
1 to 2 years	6,028	5,453
2 to 3 years	1,171	2,294
Over 3 years	1,158	–
	28,595	29,535
Impairment	(8,735)	(10,332)
	19,860	19,203

14. TRADE AND BILLS PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the date of receipt of goods, is as follows:

	As at 30 June 2025 *HK$'000* (Unaudited)	As at 31 December 2024 *HK$'000* (Audited)
Within 3 months	5,738	7,573
3 to 6 months	4,001	6,765
Over 6 months	16,024	18,196
Trade payables	25,763	32,534
Bills payables	9,163	4,225
	34,926	36,759

The trade payables of the Group are non-interest-bearing and are normally settled on terms of 90 days. The carrying amounts of trade and bills payables approximate their fair values.

15. OTHER PAYABLES, ACCRUALS AND PROVISION

The Group was accused of contravention of certain regulations under 中華人民共和國固體廢物污染環境防治法 (Law of the PRC on the Prevention and Control of Solid Waste Pollution)* during an inspection of 徐州市睢寧生態環境局 (Suining Ecological Environmental Bureau of Xuzhou City)* in November 2021 as a result of failure to maintain proper records of hazardous wastes produced and to make filings to the local authority, and improper transferral, handling and disposal of these materials. Included in other payables, accruals and provision, provision of approximately RMB7,226,000 (equivalent to approximately HK$7,924,000) (31 December 2024: RMB7,226,000 (equivalent to approximately HK$7,803,000)) was made for the penalty of violations, of which no penalties was paid during the period ended 30 June 2025 and the year ended 31 December 2024. Up to the approval date of these condensed consolidated financial statements, two (31 December 2024: two) summons with penalties of approximately RMB7,226,000 (equivalent to approximately HK$7,924,000) (31 December 2024: RMB7,226,000 (equivalent to approximately HK$7,803,000)) was received. The provision was determined based on the relevant rules and the legal opinion provided by the Group's legal counsel. In the opinion of the Directors, appropriate provision for the likely outcome was made as at 30 June 2025 and 31 December 2024.

* The name in English is not the official name but a translation for reference only.

16. INTEREST BEARING BANK BORROWING

	30 June 2025 (Unaudited)			31 December 2024 (Audited)		
	Effective interest rate *(%)*	Maturity	Amount *HK$'000*	Effective interest rate *(%)*	Maturity	Amount *HK$'000*
Unsecured						
Other bank borrowing	3.80%	2025	8,773	3.80%	2025	8,639

The carrying amounts of the Group's interest-bearing bank borrowing approximate their fair values.

17. SHARE CAPITAL

	As at 30 June 2025 *HK$'000* (Unaudited)	As at 31 December 2024 *HK$'000* (Audited)
Issued and fully paid:		
538,019,000 (31 December 2024: 538,019,000) ordinary shares	75,032	75,032

18. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior periods are presented in the unaudited interim condensed consolidated statement of changes in equity.

(a) The general reserve fund of the Group is an undistributable reserve and may not be treated as realised profits.

On 25 November 1996, a court order confirming the reduction of the share premium account by approximately HK$133,349,000 was registered by the Registrar of Companies in Hong Kong and the credit arising therefrom was transferred to the general reserve fund against which goodwill arising on the acquisition of a subsidiary was eliminated in the consolidated financial statements. In the year ended 31 December 2002, there was a release of goodwill of approximately HK$133,349,000 in respect of impairment of an investment in a subsidiary relating to the goodwill arising from acquisition of that subsidiary in 1996.

Pursuant to a special resolution passed in the Company's extraordinary general meeting held on 23 January 1998 and confirmed by the Order of the High Court of the Hong Kong Special Administrative Region of the PRC (the "Court") dated 2 March 1998, the share premium account was reduced by the amount of approximately HK$34,397,000 and, as undertaken by the Company, a general reserve fund was credited in the books of accounts of the Company in the same amount for the purpose of setting off, in the consolidated financial statements of the Company and its subsidiaries, goodwill arising on consolidation in 1997. In 2000 and 2001, there was a release of goodwill of approximately HK$12,478,000 and HK$21,919,000, respectively, in respect of impairment of investments in subsidiaries relating to the goodwill arising from the acquisition of the subsidiaries in 1997.

18. RESERVES (CONTINUED)

(b) On 1 February 2011, a special resolution was passed by the shareholders of the Company for approving the reduction in share premium of the Company (the "Share Premium Reduction"). The purpose of the Share Premium Reduction is to reduce the credit standing to the share premium account of the Company to the extent of approximately HK$393,346,000 and to apply the credit arising from such reduction to eliminate the accumulated losses of the Company by the same amount.

On 22 March 2011, the Court made an order (the "Order") confirming the Share Premium Reduction. An office copy of the Order was registered with the Registrar of Companies in Hong Kong on 29 March 2011 (the "Effective Date") in accordance with Section 61 of the predecessor Hong Kong Companies Ordinance (Cap. 32). Accordingly, the Share Premium Reduction became effective immediately following the registration of the Order of the Court and the accumulated losses of the Company of approximately HK$393,346,000 were eliminated against the Company's share premium account.

In connection with the application for the Share Premium Reduction (the "Application"), the Company undertakes that in the event of the Company making any future recoveries of the assets identified in the Application for which provision for impairment in value or amortisation was made in the accounts of the Company between 31 December 2000 and 30 June 2010 (the "Assets"), beyond the written down values in the Company's accounts as at 30 June 2010, all such recoveries beyond that written down values up to an amount of HK$150,345,170 (the "Limit"), will be credited to a special capital reserve in the accounting records of the Company (the "Special Capital Reserve") and that so long as there shall remain outstanding any debt of or claim against the Company which, if the Effective Date was the date of the commencement of the winding up of the Company, would be admissible to proof in such winding up and the persons entitled to the benefit of such debts or claims shall not have agreed otherwise, such reserve shall not be treated as realised profits for the purposes of ss291, 297 and 299 of the new Hong Kong Companies Ordinance (Cap.622) of the Laws of the Hong Kong and shall (for so long as the Company shall remain a listed company) be treated as an undistributable reserve of the Company for the purposes of ss290 and 298 of the new Hong Kong Companies Ordinance (Cap.622) of the Laws of the Hong Kong, or any statutory re-enactments or modifications thereof provided that:

(1) the Company shall be at liberty to apply the Special Capital Reserve for the same purposes as a share premium account may be applied;

(2) the Limit in respect of the Special Capital Reserve may be reduced by the amount of any increase, after the Effective Date, in the amount standing to the credit of the share premium account of the Company as a result of the paying up of shares by the receipt of new consideration or the capitalisation of distributable profits;

(3) the Limit in respect of the Special Capital Reserve may be reduced upon the disposal or other realisation, after the Effective Date, of the Assets by the amount of the impairment in value and amortisation made in relation to such assets as at 30 June 2010 less such amount (if any) as credited to the Special Capital Reserve as a result of such disposal or realisation; and

18. RESERVES (CONTINUED)

(b) (continued)

(4) in the event that the amount standing to the credit of the Special Capital Reserve exceeds the Limit thereof after any reduction of such Limit pursuant to provisions (2) and/or (3) above, the Company shall be at liberty to transfer the amount of any such excess to the general reserves of the Company and the same shall become available for distribution.

During the six months ended 30 June 2025, addition provision for impairment of approximately HK$233,000 (six months ended 30 June 2024: reversal of provision for impairment of approximately HK$109,000) was made for the Assets. This resulted in a transfer of approximately HK$233,000 from Special Capital Reserve to the accumulated losses (six months ended 30 June 2024: approximately HK$109,000 from the accumulated losses to Special Capital Reserve).

The Limit as at 30 June 2025 was HK$150,273,970 (31 December 2024: HK$150,273,970) and the amount standing to the credit of the Group's Special Capital Reserve as at 30 June 2025 was approximately HK$694,000 (31 December 2024: HK$927,000).

(c) Pursuant to the relevant PRC laws and regulations, a portion of the profits of the Company's subsidiaries which are established in Mainland China has been transferred to reserve funds which are restricted as to use.

(d) Capital reserve represents the capital contributions from the then immediate holding company.

19. COMMITMENTS

	As at 30 June 2025 *HK$'000* (Unaudited)	As at 31 December 2024 *HK$'000* (Audited)
Contracted but not provided for:		
Buildings	252	254
Leasehold improvements	159	204
Plant and machinery	1,215	663
	1,626	1,121

20. RELATED PARTY TRANSACTION

Compensation of key management personnel of the Group

	For the six months ended 30 June	
	2025 *HK$'000* (Unaudited)	2024 *HK$'000* (Unaudited)
Short term employee benefits	324	324
Post-employment benefits	134	124
Total compensation paid to key management personnel	458	448

21. APPROVAL OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These unaudited condensed consolidated financial statements were approved and authorised for issue by the Board on 22 August 2025.

Directors' Interests and Short Positions in Securities

As at 30 June 2025, to the knowledge of the Company, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV the Securities and Futures Ordinance (the "SFO")) which are required to be: (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive are taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Substantial Shareholders' Interests

As at 30 June 2025, so far as is known to any Director or the chief executive of the Company, the following persons (other than a Director or the chief executive of the Company) had, or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Capacity/ nature of interests	Number of ordinary shares held	Long/short position	Approximate percentage of interests held *(Note 1)*
廣東南粵集團有限公司 (Guangdong Nam Yue Group Corporation Limited) *(Note 2)*	Interest in controlled corporation	279,769,880	Long position	52%
Guangdong Assets Management (BVI) No. 11 Limited *(Note 3)*	Interest in controlled corporation	279,769,880	Long position	52%
南粵(集團)有限公司 (Nam Yue (Group) Company Limited)	Beneficial owner	279,769,880	Long position	52%
廣東粵海控股集團有限公司 (Guangdong Holdings Limited) *(Note 4)*	Interest in controlled corporation	104,050,120	Long position	19.34%
GDH Limited	Beneficial owner	104,050,120	Long position	19.34%

Notes:

1. The approximate percentage of interests held was calculated on the basis of 538,019,000 ordinary shares of the Company in issue as at 30 June 2025. As at 30 June 2025, the Company did not hold any treasury shares.

2. The attributable interest which 廣東南粵集團有限公司 (Guangdong Nam Yue Group Corporation Limited) has in the Company is held through its 100% direct interest in Guangdong Assets Management (BVI) No. 11 Limited.

3. The attributable interest which Guangdong Assets Management (BVI) No. 11 Limited has in the Company is held through its 70% direct interest in 南粵(集團)有限公司 (Nam Yue (Group) Company Limited).

4. The attributable interest which 廣東粵海控股集團有限公司 (Guangdong Holdings Limited) has in the Company is held through its 100% direct interest in GDH Limited.

Save as disclosed above, as at 30 June 2025, so far as is known to any Director or the chief executive of the Company, there were no other persons who had, or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to section 336 of the SFO.

Corporate Governance and Other Information

CORPORATE GOVERNANCE CODE

In the opinion of the Directors of the Company, the Company had complied with the code provisions and, where appropriate, the applicable recommended best practices in the Corporate Governance Code contained in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2025, save for the deviation from Code Provision C.2.1 as explained below:

Under the Code Provision C.2.1, there should be a clear division of responsibilities for the roles of chairman and chief executive officer and these two roles should be performed by two persons (the Company regards that the term "chief executive officer" has the same meaning as the Managing Director of the Company). Since 20 October 2023, Mr. Zhou Hao served as both Chairman and Managing Director of the Company.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiry to all the Directors of the Company, all Directors confirmed that they had complied with the required standard of dealings as set out in the Model Code throughout the six months ended 30 June 2025.

REVIEW OF INTERIM RESULTS

The unaudited interim results of the Group for the six months ended 30 June 2025 have been reviewed by the Audit Committee of the Company and ZHONGHUI ANDA CPA Limited, the independent auditor of the Company.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) on the Hong Kong Stock Exchange during the six months ended 30 June 2025.

By Order of the Board
Zhou Hao
Chairman and Managing Director

Hong Kong, 22 August 2025

南粵控股
NAMYUE HOLDINGS

NAMYUE HOLDINGS LIMITED
南粵控股有限公司