力盟科技集團有限公司

Powerwin Tech Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code: 2405

2025

INTERIM REPORT

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CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Li Xiang (李翔)
Ms. Yu Lu (余璐)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Zhao Yan (趙焱)
Mr. Gong Peiyue (公佩鉞)
Mr. Li Kwok Tai James (李國泰)

AUDIT COMMITTEE

Mr. Li Kwok Tai James (李國泰) *(Chairman)*
Ms. Zhao Yan (趙焱)
Mr. Gong Peiyue (公佩鉞)

REMUNERATION COMMITTEE

Mr. Gong Peiyue (公佩鉞) *(Chairman)*
Ms. Yu Lu (余璐)
Ms. Zhao Yan (趙焱)

NOMINATION COMMITTEE

Mr. Li Xiang (李翔) *(Chairman)*
Ms. Zhao Yan (趙焱)
Mr. Gong Peiyue (公佩鉞)

JOINT COMPANY SECRETARIES

Ms. Yu Lu (余璐)
Ms. Wong Pui Kiu Ingrid (黃沛翹) *ACG, HKACG*
(appointed on June 26, 2025)
Ms. Lam Wing Chi (林穎芝) *ACG, HKACG*
(resigned on June 26, 2025)

AUTHORIZED REPRESENTATIVES

Ms. Yu Lu (余璐)
Ms. Wong Pui Kiu Ingrid (黃沛翹) *ACG, HKACG*
(appointed on June 26, 2025)
Ms. Lam Wing Chi (林穎芝) *ACG, HKACG*
(resigned on June 26, 2025)

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road, Central
Hong Kong

HONG KONG LEGAL ADVISOR

Norton Rose Fulbright Hong Kong
38/F., Jardine House
1 Connaught Place, Central
Hong Kong

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Block B, Building 1
Zhubang 2000 Business Center
Chaoyang District, Beijing
PRC

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 3709, West Tower
Shun Tak Centre
Sheung Wan
Hong Kong

CORPORATE INFORMATION

PRINCIPAL BANKERS

China Merchants Bank (Dongsihuan Sub-branch)
Block A, Yuanyang International Center
56 Dongsihuan Zhonglu
Chaoyang District, Beijing
PRC

DBS Bank (Hong Kong) Limited
G/F., The Center
99 Queen's Road Central
Central
Hong Kong

The Hongkong and Shanghai Banking Corporation Limited
1/F, HSBC Centre Tower 2
1 Sham Mong Road
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Vistra (Cayman) Limited
P.O. Box 31119 Grand Pavilion
Hibiscus Way, 802 West Bay Road
Grand Cayman, KY1-1205
Cayman Islands

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK CODE

02405

COMPANY WEBSITE

www.empowerwin.com

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

I am pleased to present the business review and prospect of Powerwin Tech Group Limited and its subsidiaries for the six months ended June 30, 2025.

RESULTS

For the six months ended June 30, 2025, our Group recorded revenue of US$3.3 million, representing a decrease of 55.9% from US$7.4 million for the six months ended June 30, 2024. We recorded a loss of US$3.8 million for the six months ended June 30, 2025 as compared to a profit of US$0.3 million for the six months ended June 30, 2024. As of June 30, 2025, we have served more than 3,000 marketers, covering a variety of industry verticals of e-commerce, online games and apps including major and well-known media publishers globally.

Our Group has adopted a prudent financial management approach towards its treasury policies to ensure key financial indicators remain healthy and safe.

2025 INTERIM REVIEW

Looking back to the first half of 2025, the digital marketing landscape is evolving at an unprecedented pace, influenced by rapid technological advancements and shifting consumer behaviors. Our Company has been impacted by increased competition, tightening margins, and the rising costs of digital advertising platforms. These external factors, coupled with internal adjustments to our service offerings, have led to a decline in our profitability.

Moreover, the global economic climate has posed additional challenges, with many of our clients facing budget constraints that have caused them to reduce their marketing expenditures. This ripple effect has significantly affected our revenue streams and overall financial health.

2025 OUTLOOK AND STRATEGIC RESPONSE

Despite the challenges, I remain optimistic about our future. With the influence of artificial intelligence and hyper-personalization, it is expected the ad spending will increase towards digital channels such as social media, search engine and retail media. We will leverage such influence into our Adorado SaaS and Powershopy platforms and help our customers on campaign optimization and real-time data delivered highly tailored experiences. To achieve these goals, the Company will focus its investments in the following four areas: enhancing our service offerings to improve delivery quality and customer ROI. Technology Investment: Invest in AI, data analytics, and automated infrastructure to strengthen technological barriers. Partnerships: Deepen strategic collaboration with core customers to develop customized solutions. Market Expansion: Target emerging markets and niche markets that align with our core capabilities. By leveraging data analytics and enhancing our digital capabilities, we aim to deliver more personalized and effective marketing solutions to our clients.

ACKNOWLEDGEMENT

I want to extend my gratitude to our employees, clients, and shareholders for their unwavering support during these challenging times. Together, we will navigate this period of uncertainty and emerge stronger. We are dedicated to revitalizing our Company and positioning ourselves for sustainable growth in the future. Thank you for your continued trust and partnership.

Li Xiang
Chairman, Chief Executive Officer and Executive Director
Hong Kong, August 28, 2025

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

We are a cross-border digital marketing service provider in China. Over the years, we have been dedicated to empowering China-based marketers in user acquisition to better promote and connect themselves to customers worldwide while collaborating with major and well-known media publishers in helping them explore monetization opportunities. Our cross-border digital marketing services consist of standardized, customized and SaaS-based solutions to address China-based marketers' needs for cross-border marketing endeavors. We also provide cross-border online-shop SaaS solutions which enables cross-border e-commerce merchants to build, operate, manage and market their own standalone online shops.

BUSINESS REVIEW

Cross-border Digital Marketing Services

Capitalizing on our deep understanding of marketers' evolving needs and prompted by the cross-border digital marketing spending along with the growing demand of China-based enterprises to expand overseas business, we had served more than 3,000 marketers as of June 30, 2025, covering a variety of industry verticals of e-commerce, online games and apps. We had, as of June 30, 2025, curated and collaborated with 20 major and well-known media publishers globally, including major media publishers such as Meta, a leading online social media platform operator and a dominant digital media content provider established in 2004 in the United States, Google, X, TikTok, LinkedIn, YouTube and Snapchat, covering social networking, instant messaging, search engine and short-video media platforms, as well as more than 50 industry-specific media publishers each focusing on a specific niche market.

Depending on marketers' needs and the depths of our services, our cross-border digital marketing services can be categorized into three service types, namely:

- **standardized digital marketing services,** mainly including basic services, such as procurement of media resources (being the ad inventories from the media publishers' platforms), opening and top-up of media accounts and implementation of marketing campaigns (without customized marketing strategies or optimization) on media publishers' platforms;

- **customized digital marketing services**, mainly including targeted marketing strategies and plan, marketing campaign content design, customized marketing campaign optimization, online shops optimization, campaign monitoring and management and execution of overall user acquisition; and

- **SaaS-based digital marketing services**, mainly including optimization and implementation of marketing campaigns in a more intelligent and automated manner through our Adorado SaaS platform, comprising a basic version mainly for small and medium-sized marketers and an advanced version mainly for large-scale marketers.

Cross-border Online-shop SaaS Solutions

We provide cross-border online-shop SaaS solutions to customers through Powershopy, our proprietary SaaS platform launched in November 2021 which serves cross-border e-commerce merchants in China for the set-up, operation and digital marketing of their own standalone online shops as opposed to online shops operated on third-party e-commerce platforms. We generate revenue from cross-border online-shop SaaS solutions by charging our customers: (i) a fixed amount of a monthly subscription fee for the use of our platform; and/or (ii) a commission representing a pre-determined percentage of the gross merchandise volume generated by our customers through our Powershopy platform.

EMPLOYEES AND REMUNERATION POLICY

Our Group had 60 full-time employees as of June 30, 2025 (as of June 30, 2024: 76). Our staff cost included in cost of sales and other staff-related expenditure in aggregate amounted to US$1.9 million for the six months ended June 30, 2025. Employees' remuneration package includes salary, performance bonus and other welfare subsidies. The remuneration of employees is determined in accordance with our Group's remuneration policy, the employees' position, performance, the Group's profitability, industry level and market environment. A remuneration committee was set up for reviewing and making recommendations to the Directors on the structure concerning remuneration of the Directors and senior management, having regard to our Group's operating results, individual performance of the Directors and senior management and comparable market practices.

OUTLOOK

The geopolitical uncertainties and the volatility of global economies created much challenges to the digital marketing industry, which have led to a decline of the Group's profit since 2024. We will work closely with our customers to provide more customized services as well as working with our media partners on more specific audience targeting. We shall strive to maintain growth of our cross-border digital marketing business, while closely monitoring any emerging cross-border industries that can help our customers to further expand to global markets.

With the influence of artificial intelligence and hyper-personalization, it is expected the advertising spending will incline towards digital channels such as social media, search engines and retail media. We will leverage such influence into our Adorado SaaS and Powershopy platforms and help our customers on campaign optimization and provide highly tailored experience through real-time data. We will continue to assess opportunities on strategic collaboration and investment in order to better serve our customers.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

Our revenue decreased by 55.9% to US$3.3 million for the six months ended June 30, 2025 from US$7.4 million for the six months ended June 30, 2024, primarily attributable to complex factors such as global economic volatility and geopolitical uncertainties which led to the significant decrease in the digital advertising budgets of clients of the Group.

Revenue from cross-border digital marketing

- **Standardized digital marketing**. Revenue from standardized digital marketing services decreased by 53.7% to US$1.5 million for the six months ended June 30, 2025 from US$3.2 million for the six months ended June 30, 2024 as a result of complex factors such as global economic volatility and geopolitical uncertainties which led to the significant decrease in the digital advertising budgets of clients of the Group.

- **Customized digital marketing**. Revenue from customized digital marketing services decreased by 64.6% to US$0.5 million for the six months ended June 30, 2025 from US$1.5 million for the six months ended June 30, 2024, which was primarily attributable to the Group's customized digital marketing customers having significantly reduced their advertising budgets.

- **SaaS-based digital marketing**. Revenue from SaaS-based digital marketing services decreased by 25.6% to US$0.9 million for the six months ended June 30, 2025 from US$1.2 million for the six months ended June 30, 2024, which was primarily attributable to the Group's SaaS-based digital marketing customers having significantly reduced their advertising budgets.

Revenue from cross-border online-shop SaaS solutions

Revenue from cross-border online-shop SaaS solutions decreased by 78.2% to US$0.3 million for the six months ended June 30, 2025 from US$1.4 million for the six months ended June 30, 2024, which was primarily attributable to a decrease in commission income received by the Group.

Cost of Sales

Our cost of sales decreased to US$1.0 million for the six months ended June 30, 2025 from US$1.1 million for the six months ended June 30, 2024, which was primarily attributable to the decrease in revenue, as well as staff cost as a result of the Group's staff structure optimization.

Gross Profit and Gross Profit Margin

Our gross profit decreased by 63.8% to US$2.3 million for the six months ended June 30, 2025 from US$6.2 million for the six months ended June 30, 2024. The decrease was primarily due to a decrease in revenue resulted from the intensifying competition in the digital marketing services, which the Group has responded by rolling out certain promotional measures. Our overall gross profit margin decreased to 69.5% for the six months ended June 30, 2025 from 84.5% for the six months ended June 30, 2024, which was mainly due to the rolling out of certain promotional measures in light of the intensifying competition as aforementioned which has led to a decrease in the Group's revenue. While the Group has also optimized its cost structure which has led to a decrease in its cost of sales, the decrease in the cost of sales did not offset the decrease of revenue resulting in the decrease in gross profit margin.

Marketing Expenses

Our marketing expenses decreased slightly to US$0.2 million for the six months ended June 30, 2025 from US$0.3 million for the six months ended June 30, 2024.

Administrative Expenses

Our administrative expenses increased to US$2.2 million for the six months ended June 30, 2025 from US$1.8 million for the six months ended June 30, 2024, as extra costs were incurred to carry out staff optimization.

Expected Credit Losses on Trade Receivables

Our expected credit losses on trade receivables increased to US$2.4 million for the six months ended June 30, 2025 from US$1.6 million for the six months ended June 30, 2024, which was due to the increased bad debt provisions as the operational adjustments of certain customers have resulted in longer collection period. The Group has actively communicated with its customers by way of emails and personal visits to its customers in order to follow up on the recovery of funds.

Finance Costs

Our finance costs decreased to US$1.9 million for the six months ended June 30, 2025 from US$2.7 million for the six months ended June 30, 2024, as the funding needs of the Group through bank loans have reduced due to a decrease in the Group's gross billing for the six months ended June 30, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Income Tax Credit

The Group recorded an income tax credit of US$0.4 million for the six months ended June 30, 2025 compared to an income tax credit of US$0.04 million for the six months ended June 30, 2024, which was primarily due to the increase in deferred tax asset arising from the temporary deductible differences of credit loss allowance of trade receivables. Our effective income tax rate was 9.4% and -13.8% for the six months ended June 30, 2025 and 2024, respectively.

(Loss)/profit for the Period

As a result of the foregoing, the Group recorded a loss of US$3.8 million for the six months ended June 30, 2025, as compared to a profit of US$0.3 million for the six months ended June 30, 2024.

Trade Receivables

Our trade receivables decreased to US$192.4 million as of June 30, 2025 from US$228.9 million as of December 31, 2024, which was primarily due to the decrease in the Group's gross billing for the six months ended June 30, 2025.

Trade and Other Payables

Our trade and other payables increased to US$164.3 million as of June 30, 2025 from US$129.0 million as of December 31, 2024, which was primarily due to a decrease in the amounts paid to the Group's suppliers.

Bank Loans

Our bank loans decreased to US$14.9 million as of June 30, 2025 from US$102.6 million as of December 31, 2024, which was primarily because of the Group requiring less funding through bank loans due to a decrease in the Group's gross billing for the six months ended June 30, 2025.

Liquidity and Financial Resources

Our cash and cash equivalents were primarily denominated in U.S. dollars. As of December 31, 2024 and June 30, 2025, we had cash and cash equivalents of US$34.4 million and US$16.3 million, respectively. Such decrease in cash and cash equivalents was primarily because of repayment of bank loans of the Group.

Our net current assets decreased to US$19.6 million as of June 30, 2025 from US$23.9 million as of December 31, 2024, as the trade receivables and cash and cash equivalents of the Group have decreased.

Our major financing resources are bank loans. We had bank loans of US$102.6 million and US$14.9 million as of December 31, 2024 and June 30, 2025, respectively, which were primarily used for supporting the growth of our business expansion and development. As of June 30, 2025, our bank loans were primarily denominated in U.S. dollars and were at variable rates.

Interim Dividend

The Board did not recommend any interim dividend for the six months ended June 30, 2025.

Gearing Ratio

Our gearing ratio, being calculated by dividing total borrowings by total equity as of the date indicated and multiplied by 100%, decreased to 56.7% as of June 30, 2025 from 340.8% as of December 31, 2024, primarily due to the decrease in the Group's borrowings.

Debt to Equity Ratio

Our debt to equity ratio was calculated by dividing total borrowings net of cash and cash equivalents by total equity as of the date indicated and multiplied by 100%, and the Group was in a net cash position as at June 30, 2025 (as of December 31, 2024: 226.5%), primarily due to the decrease in the Group's borrowings.

Contingent Liabilities

As of December 31, 2024 and June 30, 2025, we did not have any material contingent liabilities.

Pledge of Assets

Save as disclosed below, none of our Group's assets were pledged as of June 30, 2025.

As of June 30, 2025, bank loans of US$2,069,000 were guaranteed by the Company and secured by financial assets measured at fair value through profit or loss (as of December 31, 2024: US$2,212,000). As of June 30, 2025, bank loans of US$12,865,000 were guaranteed by the Group and were secured by trade receivables according to the factoring arrangements (as of December 31, 2024: US$57,872,000).

Treasury Policies

We have adopted a prudent financial management approach towards our treasury policies to ensure the liquidity requirements from daily operation as well as capital expenditures are met. Our Board closely monitors our liquidity positions, while surplus cash will be invested appropriately with the consideration of the credit risks, liquidity risks and market risks of the financial instruments.

Interest Rate Risks

Our interest rate risks arise primarily from bank loans issued at fixed rates and variable rates, and lease liabilities that expose us to cash flow interest rate risk. In particular, our interest on bank loans decreased to US$1.9 million for the six months ended June 30, 2025 from US$2.7 million for the six months ended June 30, 2024. We will keep monitoring the risk exposure regularly to mitigate the interest risk.

Foreign Exchange Exposure

Our Group operates in Hong Kong with most of our monetary assets and liabilities and transactions principally denominated in U.S. dollars. We do not have significant exposure to foreign currency risks.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

We did not have any significant investments or material acquisitions and disposals of subsidiaries, associates and joint ventures during the six months ended June 30, 2025. As of June 30, 2025, we did not have any plans for any material investments or capital assets.

COMPLIANCE WITH THE CG CODE

The Company recognizes the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. The Company has adopted and, save as disclosed below, complied with the code provisions stated in the CG Code during the six months ended June 30, 2025.

Pursuant to code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Li Xiang is the chairman of the Board and the chief executive officer of the Company. With extensive experience in business management, Mr. Li is responsible for the overall strategic and direction planning, business development and management of the Group and is instrumental to the growth and business expansion since the Group's establishment. The Board considers that vesting the roles of joint chairman and chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced and high-caliber individuals. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at an appropriate time if necessary, taking into account the circumstances of the Group as a whole.

The Company is committed to the view that the Board should include a balanced composition of executive Directors and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

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 been made specific enquiries, the Directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended June 30, 2025.

CHANGE OF JOINT COMPANY SECRETARY, AUTHORISED REPRESENTATIVE AND PROCESS AGENT

On June 26, 2025, Ms. Lam Wing Chi resigned as (i) a joint company secretary of the Company (a "**Joint Company Secretary**"); (ii) an authorised representative (an "**Authorised Representative**") as required under Rule 3.05 of the Listing Rules; and (iii) the person authorised to accept service of process and notices on behalf of the Company in Hong Kong under Part16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "**Process Agent**"). On even date, Ms. Wong Pui Kiu Ingrid was appointed as a Joint Company Secretary, Authorised Representative and Process Agent of the Company. Ms.Yu Lu will continue to serve as the other Joint Company Secretary.

For further details, please refer to the Company's announcement dated June 26, 2025.

CHANGES IN THE INFORMATION OF DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY

There has been no disclosable change in information of the Directors and chief executive of the Company pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the 2024 annual report of the Company.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of June 30, 2025, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise should be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix C3 to the Listing Rules were as follows:

(a) Interest in Shares and underlying Shares

Name of Director	Capacity/Nature of Interest	Number of Shares/ Underlying Shares	Approximately Percentage of Shareholding in our Company[1]	Long Position/ Short Position/ Lending Pool
Mr. Li	Interest in a controlled corporation[2]	96,000,000	12.00%	Long Position
	Settlor of a discretionary trust[3]	80,000,000	10.00%	Long Position
	Interest of spouse[4]	360,000,000	45.00%	Long Position
Ms. Yu	Interest in a controlled corporation[5]	6,000,000	0.75%	Long Position
	Settlor of a discretionary trust[6]	354,000,000	44.25%	Long Position
	Interest of spouse[4]	176,000,000	22.00%	Long Position

Notes:

(1) The percentage of shareholding was calculated based on our Company's total number of issued shares as of June 30, 2025 (i.e. 800,000,000 Shares).

(2) Our Company is held directly by Total Best and Wealth Express as to 0.75% and 11.25%, respectively. Each of Total Best and Wealth Express is wholly owned by Mr. Li. Mr. Li is deemed to be, or taken to be, interested in all the Shares held by Total Best and Wealth Express for the purpose of the SFO.

(3) The Imperial Trust is a discretionary trust established by Mr. Li (as the settlor) and the beneficiaries of which include Ms. Yu and Mr. Li's family members. Our Company is held directly by Into One as to 10.00%. As such, Mr. Li is deemed to be interested in the Shares held by Into One for the purpose of the SFO.

(4) Mr. Li and Ms. Yu are spouses. Therefore, each of them is deemed to be interested in all the Shares the other party is interested in for the purpose of the SFO.

(5) Our Company is held directly by Lucky Linkage as to 0.75%. Lucky Linkage is wholly owned by Ms. Yu. Ms. Yu is deemed to be, or taken to be, interested in all the Shares held by Lucky Linkage for the purpose of the SFO.

(6) The Tranquil Trust is a discretionary trust established by Ms. Yu (as the settlor) and the beneficiaries of which include Mr. Li and Ms. Yu's family members. Our Company is held directly by Common Excellence as to 44.25%. As such, Ms. Yu is deemed to be interested in the Shares held by Common Excellence for the purpose of the SFO.

(b) Interest in associated corporations of our Company

As of June 30, 2025, none of the Directors or the chief executive of our Company had an interest or short position in the shares, underlying shares and debentures of any of our Company's associated corporations (within the meaning of Part XV of the SFO).

Save as disclosed above, as of June 30, 2025, none of the Directors and chief executives of our Company had any interests or short positions in any Shares, underlying shares and debentures of the Company or any of its associated corporations as defined under Part XV of the SFO which would have to be notified to the Company and the Stock Exchange as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise should be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As of June 30, 2025, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of our Company) had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by our Company pursuant to section 336 of the SFO:

Name of Shareholder	Capacity/Nature of Interest	Number of Shares/ Underlying Shares	Approximately Percentage of Shareholding in our Company[1]	Long Position/ Short Position/ Lending Pool
Common Excellence	Beneficial owner[2]	354,000,000	44.25%	Long Position
Total Mice	Interest in controlled corporation[2]	354,000,000	44.25%	Long Position
Into One	Beneficial owner[3]	80,000,000	10.00%	Long Position
Honest Beauty	Interest in controlled corporation[3]	80,000,000	10.00%	Long Position
Wealth Express	Beneficial owner[4]	90,000,000	11.25%	Long Position
Trustee	Trustee of the Tranquil Trust[2]	354,000,000	44.25%	Long Position
	Trustee of the Imperial Trust[3]	80,000,000	10.00%	Long Position

Notes:

(1) The percentage of shareholding was calculated based on our Company's total number of issued shares as of June 30, 2025 (i.e. 800,000,000 Shares).

(2) The Trustee, acting as the trustee of the Tranquil Trust, holds the entire issued share capital of Total Mice, which in turn holds the entire issued share capital of Common Excellence. The Tranquil Trust is a discretionary trust established by Ms. Yu (as the settlor) and the beneficiaries of which include Mr. Li and Ms. Yu's family members. Our Company is held directly by Common Excellence as to 44.25%. As such, Ms. Yu is deemed to be interested in the Shares held by Common Excellence for the purpose of the SFO.

(3) The Trustee, acting as the trustee of the Imperial Trust, holds the entire issued share capital of Honest Beauty, which in turn holds the entire issued share capital of Into One. The Imperial Trust is a discretionary trust established by Mr. Li (as the settlor) and the beneficiaries of which include Ms. Yu and Mr. Li's family members. Our Company is held directly by Into One as to 10.00%. As such, Mr. Li is deemed to be interested in the Shares held by Into One for the purpose of the SFO.

(4) Wealth Express is wholly owned by Mr. Li. Mr. Li is deemed to be, or taken to be, interested in all the Shares held by Total Best and Wealth Express for the purpose of the SFO.

Save as disclosed above, as of June 30, 2025, the Directors were not aware of any persons (who were not Directors or chief executive of our Company) who had an interest or short position in the Shares or underlying Shares of our Company which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

USE OF NET PROCEEDS FROM THE INITIAL PUBLIC OFFERING

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on March 31, 2023 and the net proceeds raised from this initial public offering after deducting underwriting fees and commissions and other related listing expenses amounted to approximately HK$96.8 million (the "**Net Proceeds**").

As of June 30, 2025, the utilization of the Net Proceeds is detailed as follows:

	Approximate percentage of Net Proceeds	Allocation of Net proceeds *(HK$ million)*	Unutilized amount of Net Proceeds as of December 31, 2024 *(HK$ million)*	Utilized amount of Net Proceeds during the six months ended June 30, 2025 *(HK$ million)*	Unutilized amount of Net Proceeds as of June 30, 2025 *(HK$ million)*	Expected timeline for the use of unutilized Net Proceeds *(Note)*
Strengthen the research and development capabilities of the Group	41.7%	40.3	11.2	3.5	7.7	end of 2025
Market the Group's cross-border online-shop SaaS solutions business	13.3%	12.9	12.9	–	12.9	end of 2025
Upgrade the Group's business and internal management systems to cater to its increasing business scale	10.0%	9.7	9.7	–	9.7	end of 2025
Strengthen the Group's capabilities in providing localized services in overseas countries and regions to meet customers' growing demand for overseas presence and expansion and deepen the Group's global footprint	15.0%	14.5	14.5	–	14.5	end of 2025
Pursue strategic cooperation or investment opportunities from upstream and downstream industry participants that will complement or enhance the Group's existing business and product functions and have synergy with the Group	10.0%	9.7	9.7	–	9.7	end of 2025
Working capital and general corporate purposes	10.0%	9.7	–	–	–	N/A
Total		96.8	58.0	3.5	54.5	

Note:

During the six months ended June 30, 2025, the Net Proceeds had been used according to the purposes as stated in the prospectus of the Company dated March 21, 2023 (the "**Prospectus**"), and save as disclosed in the annual results announcement of the Company dated March 26, 2025 (the "**Announcement**"), there was no material change or delay in the use of the Net Proceeds.

The Group will continue to utilize the Net Proceeds from the initial public offering as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus and as amended by the Announcement in the section headed "Use of Proceeds from the Initial Public Offering".

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended June 30, 2025. As of June 30, 2025, the Company did not hold any treasury shares.

DIVIDEND

The Board did not recommend any interim dividend for the six months ended June 30, 2025 (six months ended June 30, 2024: Nil).

EVENTS AFTER THE REPORTING PERIOD

On July 28, 2025, Able Best Investment Group Limited (the "**Vendor**"), a directly wholly-owned subsidiary of the Company has entered into the sale and purchase agreement with Chinalink International Development Limited (the "**Purchaser**"), pursuant to which the Vendor agreed to dispose of, and the Purchaser agreed to acquire the entire issued share capital of Powerwin Media Group Co., Limited ("**Powerwin Media**") (the "**Disposal**"), a then indirect wholly-owned subsidiary of the Company. The Disposal has been completed on July 31, 2025 and Powerwin Media ceased to be a subsidiary of the Company.

For further details of the Disposal, please refer to the announcement of the Company dated July 28, 2025 and the circular of the Company dated August 15, 2025.

Save as disclosed above, there were no other material subsequent events relating to the Group after June 30, 2025 and up to the date of this interim report.

AUDIT COMMITTEE AND REVIEW OF UNAUDITED INTERIM RESULTS

The Company has established the Audit Committee with written terms of reference in accordance with the CG Code. The primary duties of the Audit Committee are to review and supervise our financial reporting process and internal control system of the Group, oversee the audit process, provide advice and comments to the Board and perform other duties and responsibilities as may be assigned by the Board.

The Group's interim financial report for the six months ended June 30, 2025 is unaudited but has been reviewed by the Company's auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee comprises three members and is chaired by an independent non-executive Director, Mr. Li Kwok Tai James, and consists of another two independent non-executive Directors, Ms. Zhao Yan and Mr. Gong Peiyue. The Audit Committee has reviewed the Company's unaudited interim results for the six months ended June 30, 2025 and confirmed that it has complied all applicable accounting principles, standards and requirements, and made sufficient disclosures. The Audit Committee has also discussed the matters of financial reporting.

REVIEW REPORT OF THE AUDITORS

KPMG

Review report to the board of directors
of Powerwin Tech Group Limited
(Incorporated in Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 21 to 41 which comprises the consolidated statement of financial position of Powerwin Tech Group Limited (the "**Company**") as of 30 June 2025 and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim financial reporting* as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34.

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

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report 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.

REVIEW REPORT OF THE AUDITORS

Conclusion

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

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

28 August 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED
(EXPRESSED IN US DOLLARS ("**USD**"))

		Six months ended 30 June	
		2025	2024
	Note	**USD'000**	USD'000
Revenue	3	**3,250**	7,368
Cost of sales		**(992)**	(1,139)
Gross profit		**2,258**	6,229
Marketing expenses		**(231)**	(296)
Administrative expenses		**(2,193)**	(1,763)
Expected credit losses on trade receivables		**(2,409)**	(1,576)
Other income	4	**193**	328
(Loss)/profit from operations		**(2,382)**	2,922
Finance costs	5(a)	**(1,871)**	(2,680)
Changes in fair value of financial assets		**104**	55
(Loss)/profit before taxation	5	**(4,149)**	297
Income tax	6	**391**	41
(Loss)/profit for the period		**(3,758)**	338
Other comprehensive income for the period (after tax)			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial information of entities not using USD as functional currency		**(1)**	25
Other comprehensive income for the period		**(1)**	25
Total comprehensive income for the period attributable to equity shareholders of the Company		**(3,759)**	363
(Loss)/earnings per share			
Basic and diluted (cents)	7	**(0.47)**	0.04

The notes on pages 27 to 41 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 13(a).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025 – UNAUDITED
(EXPRESSED IN USD)

	Note	At 30 June 2025 USD'000	At 31 December 2024 USD'000
Non-current assets			
Property, plant and equipment		**59**	67
Right-of-use assets	8	**798**	360
Intangible assets		**1,827**	2,036
Financial assets measured at fair value through profit or loss		**4,689**	4,627
Deferred tax assets		**1,497**	1,087
		8,870	8,177
Current assets			
Trade and other receivables	9	**183,407**	222,373
Cash and cash equivalents	10	**16,276**	34,393
Prepaid income tax		**1,221**	1,221
		200,904	257,987
Current liabilities			
Trade and other payables	11	**164,252**	129,032
Contract liabilities		**3,411**	4,071
Bank loans	12	**13,126**	100,638
Lease liabilities		**478**	326
Current taxation		**14**	13
		181,281	234,080
Net current assets		**19,623**	23,907
Total assets less current liabilities		**28,493**	32,084
Non-current liabilities			
Bank loans	12	**1,808**	1,920
Lease liabilities		**349**	69
		2,157	1,989
Net assets		**26,336**	30,095

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025 – UNAUDITED (CONTINUED)
(EXPRESSED IN USD)

	Note	**At 30 June 2025 USD'000**	At 31 December 2024 USD'000
CAPITAL AND RESERVES	13		
Share capital		**8,000**	8,000
Reserves		**18,336**	22,095
TOTAL EQUITY		**26,336**	30,095

Authorised for issue by the board of directors on 28 August 2025.

Mr. Li Xiang
Chairman, Chief Executive Officer and Executive Director

Ms. Yu Lu
Executive Director

The notes on pages 27 to 41 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED
(EXPRESSED IN USD)

	Share capital USD'000	Share premium USD'000	Exchange reserve USD'000	Retained profits USD'000	Total equity USD'000
Balance at 1 January 2024	8,000	7,953	(53)	13,618	29,518
Changes in equity for the six months ended 30 June 2024					
Profit for the period	–	–	–	338	338
Other comprehensive income	–	–	25	–	25
Total comprehensive income	–	–	25	338	363
Balance at 30 June 2024 and 1 July 2024	8,000	7,953	(28)	13,956	29,881
Changes in equity for the six months ended 31 December 2024					
Profit for the period	–	–	–	206	206
Other comprehensive income	–	–	8	–	8
Total comprehensive income	–	–	8	206	214
Balance at 31 December 2024	8,000	7,953	(20)	14,162	30,095

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED (CONTINUED)
(EXPRESSED IN USD)

	Share capital USD'000	Share premium USD'000	Exchange reserve USD'000	Retained profits USD'000	Total equity USD'000
Balance at 1 January 2025	8,000	7,953	(20)	14,162	30,095
Changes in equity for the six months ended 30 June 2025					
Loss for the period	–	–	–	(3,758)	(3,758)
Other comprehensive income	–	–	(1)	–	(1)
Total comprehensive income	–	–	(1)	(3,758)	(3,759)
Balance at 30 June 2025	8,000	7,953	(21)	10,404	26,336

The notes on pages 27 to 41 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2025 – UNAUDITED
(Expressed in USD)

	Note	Six months ended 30 June 2025 USD'000	Six months ended 30 June 2024 USD'000
Operating activities			
Cash generated from/(used in) operations		**71,531**	(40,390)
Income tax paid		**(18)**	(248)
Interest received		**181**	328
Net cash generated from/(used in) operating activities		**71,694**	(40,310)
Investing activities			
Payment for the purchase of property, plant, and equipment		**(5)**	(3)
Net cash used in investing activities		**(5)**	(3)
Financing activities			
Capital element of lease rentals paid		**(310)**	(297)
Proceeds from new bank loans		**210,497**	351,232
Repayment of bank loans		**(298,034)**	(313,166)
Payment of listing expenses		**–**	(5)
Interest expense paid		**(1,950)**	(2,604)
Interest element of lease rentals paid		**(8)**	(16)
Net cash (used in)/generated from financing activities		**(89,805)**	35,144
Net decrease in cash and cash equivalents		**(18,116)**	(5,169)
Cash and cash equivalents at 1 January		**34,393**	21,814
Effect of foreign exchange rate changes		**(1)**	25
Cash and cash equivalents at 30 June	10	**16,276**	16,670

The notes on pages 27 to 41 form part of this interim financial report.

1 Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("**HKAS**") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). It was authorised for issue on 28 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

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

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of Powerwin Tech Group Limited (the "**Company**") and its subsidiaries (the "**Group**") since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA.

KPMG's independent review report to the board of directors is included on page 19 to 20.

2 Changes in accounting policies

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

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

3 Revenue and segment information

(a) Revenue

The principal activities of the Group are the provisions of cross-border digital marketing services and cross-border online-shop SaaS solutions.

Disaggregation of revenue from contracts with customers within the scope of HKFRS 15 by major service lines is as follows:

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Cross-border digital marketing services		
Standardized digital marketing	**1,491**	3,221
Customized digital marketing	**549**	1,549
SaaS-based digital marketing	**911**	1,225
	2,951	5,995
Cross-border online-shop SaaS solutions	**299**	1,373
	3,250	7,368

3 Revenue and segment information (Continued)

(a) Revenue (Continued)

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Disaggregated by timing of revenue recognition		
– Point in time	**2,951**	5,995
– Over time	**299**	1,373
	3,250	7,368

The Group's operations are not subject to significant seasonal factors.

There are two and three customers with whom transactions have exceeded 10% of the Group's revenues for the six months ended 2025 and 2024, respectively. Revenue from these customers are set out below:

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Customer I	**1,234**	2,935
Customer II	**680**	2,363
Customer III	**N/A***	1,024

* This represents that the revenue from that customer is less than 10% of the Group's revenue of that period.

3 Revenue and segment information (Continued)

(b) Segment information

For the six months ended 30 June 2025 and 2024, the geographical information on the total revenue based on the location of the respective entities of the Group rendering of the services is as follows:

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Hong Kong	**3,248**	7,367
Chinese mainland	**2**	1
	3,250	7,368

The following table sets out information about the geographical locations of the Group's specified non-current assets. Specified non-current assets exclude financial assets measured at fair value through profit or loss and deferred tax assets. The geographical locations of the specified non-current assets are based on the physical locations or the location of operations of the assets.

	At 30 June 2025	At 31 December 2024
	USD'000	USD'000
Hong Kong	**2,531**	2,194
Chinese mainland	**153**	269
	2,684	2,463

4 Other income

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Interest income	**181**	328
Foreign exchange gain/(loss)	**9**	(1)
Other income	**3**	1
	193	328

5 (Loss)/profit before taxation

(Loss)/profit before taxation is arrived at after charging/(crediting):

(a) Finance costs:

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Interest on bank loans	**1,863**	2,664
Interest on lease liabilities	**8**	16
	1,871	2,680

(b) Staff costs:

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Salaries, wages and other benefits	**1,759**	1,803
Retirement scheme contributions	**123**	111
	1,882	1,914

(c) Other items:

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Gains from changes in fair value of financial assets (note 14(a)(ii))	**(104)**	(55)
Research and development costs (note (a))	**524**	614
Amortisation of intangible assets	**209**	3
Depreciation		
– property, plant and equipment	**13**	15
– right-of-use assets (note 8)	**303**	302

Note:

(a) Research and development costs include staff costs of employees in the research and development department, of which USD524,000 (the six months ended 30 June 2024: USD614,000) are included in the staff costs as disclosed above.

6 Income tax in the consolidated statement of profit or loss and other comprehensive income

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Current tax		
Provision for the period	**19**	220
	19	220
Deferred tax		
Origination and reversal of temporary differences	**(410)**	(261)
	(391)	(41)

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("**BVI**"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2024:16.5%) to the six months ended 30 June 2025, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first Hong Kong Dollars ("**HKD**") 2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

The statutory income tax rate for the subsidiaries in the Chinese mainland is 25% (2024:25%).

7 (Loss)/earnings per share

The calculation of basic loss/earnings per share is based on the loss attributable to equity shareholders of the Company of USD3,758,000 (six months ended 30 June 2024: profit of USD338,000) and the weighted average of 800,000,000 shares (six months ended 30 June 2024: 800,000,000 shares) in issue during the interim period.

There were no dilutive potential ordinary shares for the six months ended 30 June 2025 and 2024; therefore, diluted loss/earnings per share are the same as basic loss/earnings per share.

8 Right-of-use assets

	2025	2024
	USD'000	USD'000
Net book value, as at 1 January	**360**	838
Additions	**740**	48
Lease modification	**–**	(31)
Depreciation charge for the period	**(303)**	(302)
Exchange adjustments	**1**	(1)
Net book value, as at 30 June	**798**	552

9 Trade and other receivables

	At 30 June 2025	At 31 December 2024
	USD'000	USD'000
Trade receivables – third parties	**192,376**	228,934
Less: loss allowance on trade receivables	**(9,786)**	(7,378)
	182,590	221,556
Amounts due from related parties	**8**	13
Amounts due from third parties	**809**	804
	183,407	222,373

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

9 Trade and other receivables (Continued)

The Group has entered into certain factoring arrangements with banks on a with-recourse basis, under which the Group obtained prepayment in respect of the invoice amounts owed from certain customers. Under these arrangements, the banks pay the Group agreed portion of the amounts owed from the customers on the original due dates, and then the Group settles the prepayment no more than 90 days later.

As at 30 June 2025, the amount of trade receivables under factoring arrangements was USD14,295,000 (31 December 2024: USD126,112,000).

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the invoice date, is as follows:

	At 30 June 2025 USD'000	At 31 December 2024 USD'000
Within 1 month	**39,057**	62,614
Over 1 month but within 2 months	**27,831**	64,694
Over 2 months but within 3 months	**17,747**	13,698
Over 3 months but within 6 months	**14,294**	17,404
Over 6 months but within 12 months	**47,723**	52,487
Over 12 months	**45,724**	18,037
	192,376	228,934

Trade debtors are due within 30 to 300 days (2024: 30 to 300 days) from the date of billing.

10 Cash and cash equivalents

Cash and cash equivalents comprise:

	At 30 June 2025 USD'000	At 31 December 2024 USD'000
Cash and cash equivalents in the consolidated statement of financial position and the condensed consolidated cash flow statement		
– Cash at bank and on hand	**16,276**	34,393

As of the end of the reporting period, cash and cash equivalents situated in Chinese mainland amounted to USD368,000 (31 December 2024: USD282,000). Remittance of funds out of Chinese mainland is subject to relevant rules and regulations of foreign exchange control.

11 Trade and other payables

	At 30 June 2025 USD'000	At 31 December 2024 USD'000
Trade payables – third parties	**163,649**	128,459
VAT and other taxes payable	**95**	21
Payroll payable	**280**	265
Other payables and accruals	**228**	287
	164,252	129,032

All trade and other payables are expected to be settled within one year or are repayable on demand.

As of the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables), based on the invoice date, is as follows:

11 Trade and other payables (Continued)

	At 30 June 2025 USD'000	At 31 December 2024 USD'000
Within 1 month	41,985	62,236
Over 1 month but within 3 months	67,885	66,223
Over 3 months but within 6 months	53,779	–
	163,649	128,459

12 Bank loans

(a) The analysis of the repayment schedule of bank loans is as follows:

	At 30 June 2025 USD'000	At 31 December 2024 USD'000
Within 1 year or on demand	13,126	100,638
After 1 year but within 2 years	189	221
After 2 years but within 5 years	180	260
After 5 years	1,439	1,439
Sub-total	1,808	1,920
Total	14,934	102,558

12 Bank loans (Continued)

(b) Assets pledged as security

As of the end of the reporting period, the bank loans were secured as follows:

	At 30 June 2025 USD'000	At 31 December 2024 USD'000
Secured bank loans	**14,934**	102,558

At 30 June 2025, bank loans of USD2,069,000 (31 December 2024: USD2,212,000) were guaranteed by the Group and secured by financial assets measured at fair value through profit or loss.

At 30 June 2025, bank loans of USD12,865,000 (31 December 2024: USD57,872,000) were guaranteed by the Group and secured by trade receivables according to the factoring arrangements.

At 30 June 2025, no bank loans (31 December 2024: USD42,474,000) were only secured by trade receivables according to the factoring arrangements.

13 Capital, reserves and dividends

(a) Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the interim period

No dividend was declared for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

No dividend was paid for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

(b) Share capital

As at 30 June 2025 and 31 December 2024, the authorized share capital of the Company comprises 2,000,000,000 ordinary shares with par value of USD0.01 per share and the issued share capital of the Company comprises 800,000,000 ordinary shares.

(c) Share premium

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

(d) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from translation of financial information of entities not using USD as functional currency.

14 Fair value measurement of financial instruments

(a) Financial assets measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*.

The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

– Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

– Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

– Level 3 valuations: Fair value measured using significant unobservable inputs

The following table presents the Group's financial assets that are measured at fair value at the end of each reporting period:

	Fair value at 30 June 2025	Fair value measurements as at 30 June 2025 categorised into		
		Level 1	Level 2	Level 3
	USD'000	USD'000	USD'000	USD'000
Recurring fair value measurement				
Financial assets measured at fair value through profit or loss:				
Deposit component of the insurance contracts	4,689	–	–	4,689

14 Fair value measurement of financial instruments (Continued)

(a) Financial assets measured at fair value (Continued)

(i) Fair value hierarchy (Continued)

	Fair value at 31 December 2024	Fair value measurements as at 31 December 2024 categorised into		
		Level 1	Level 2	Level 3
	USD'000	USD'000	USD'000	USD'000
Recurring fair value measurement				
Financial assets measured at fair value through profit or loss:				
Deposit component of the insurance contracts	4,627	–	–	4,627

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

(ii) Information about Level 3 fair value measurements

The fair value of the deposit component of the insurance contracts was measured based on the statements provided by the insurance company.

The movements during the period in the balance of these Level 3 fair value measurements are as follows:

	2025	2024
	USD'000	USD'000
As at 1 January	**4,627**	2,765
Changes in fair value recognised in profit or loss during the period	**104**	55
Used for monthly insurance fee charged	**(42)**	(19)
As at 30 June	**4,689**	2,801

(b) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair values as at 30 June 2025 and 31 December 2024 because of the short-term maturities of all these financial instruments.

15 Material related party transactions

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors was as follows:

	Six months ended 30 June	
	2025	2024
	USD'000	USD'000
Salaries, allowances and benefits	**399**	407
Retirement scheme contributions	**20**	21
Short-term employee benefits	**419**	428

(b) Other transactions with related parties

For the six months ended 30 June 2025 and 2024, the Group did not have material transactions or outstanding balances with related parties.

16 Non-adjusting events after the reporting period

Able Best Investment Group Limited (the "**Vendor**"), a direct wholly-owned subsidiary of the Company entered into a sale and purchase agreement with Chinalink International Development Limited (the "**Purchaser**") on 28 July 2025. The Purchaser and its ultimate beneficial owner are third parties independent of and not connected with the Group and its connected persons. Pursuant to the sale and purchase agreement, the Vendor conditionally agreed to dispose of, and the Purchaser conditionally agreed to acquire 1,000,000 shares of Powerwin Media Group Co., Limited ("**Powerwin Media**"), representing the entire issued share capital of the Powerwin Media (the "**Disposal**").

The total consideration payable by the Purchaser to the Vendor under the sale and purchase agreement is USD1.95 million. The Group expects to recognize a gain of approximately USD0.45 million arising from the Disposal, calculated based on the consideration and the net asset value of Powerwin Media as at 30 June 2025.

The Disposal was completed up to the date of this report.

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

"AI"	artificial intelligence
"AR"	augmented reality
"Audit Committee"	the audit committee under the Board
"Board"	board of directors of our Company
"BVI"	the British Virgin Islands
"CG Code"	the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, but for the purposes of this interim report and for geographical reference only (unless otherwise indicated), excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
"Common Excellence"	Common Excellence International Group Limited, a company with limited liability incorporated under the laws of BVI on October 27, 2021 and one of our Controlling Shareholders
"Company" or "we" or "our Company"	Powerwin Tech Group Limited (力盟科技集團有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on June 7, 2019
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and, with respect to our Company, refers to any of Mr. Li, Ms. Yu, Lucky Linkage, Total Best, Wealth Express, Total Mice, Common Excellence, Honest Beauty and Into One
"Director"	a director of our Company
"Group", "our Group", "we", "our" or "us"	our Company and, where appropriate, its subsidiaries or, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors, as the case may be
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"HKFRSs"	Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, amendments and the related interpretations issued by the Hong Kong Institute of Certified Public Accountants

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

"Honest Beauty"	Honest Beauty International Group Company Limited, a company with limited liability incorporated under the laws of BVI on September 1, 2021 and one of our Controlling Shareholders
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Imperial Trust"	the family trust established by Mr. Li as settlor and constituted by the trust deed dated January 4, 2022 entered into between Mr. Li and the Trustee
"Into One"	Into One International Group Limited, a company with limited liability incorporated under the laws of BVI on October 27, 2021 and one of our Controlling Shareholders
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"Lucky Linkage"	Lucky Linkage International Holdings Limited (福聯國際控股有限公司), a company with limited liability incorporated under the laws of BVI on September 18, 2018 and one of our Controlling Shareholders
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Mr. Li"	Mr. Li Xiang, chairman of the Board, an executive Director and the chief executive officer of our Company, and one of our Controlling Shareholders
"Ms. Yu"	Ms. Yu Lu, an executive Director and the deputy chief operating officer of our Company, and one of our Controlling Shareholders
"RPA"	robotic process automation
"SaaS"	software as a service, a software licensing and delivery model in which software is licensed on a subscription basis and is centrally host
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of US$0.01 each
"Shareholder"	a holder of our Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Total Best"	Total Best International Group Limited (滙好國際集團有限公司), a company with limited liability incorporated under the laws of BVI on September 18, 2018 and one of our Controlling Shareholders
"Total Mice"	Total Mice International Group Company Limited, a company with limited liability incorporated under the laws of BVI on September 1, 2021 and one of our Controlling Shareholders
"Tranquil Trust"	the family trust established by Ms. Yu as settlor and constituted by the trust deed dated January 4, 2022 entered into between Ms. Yu and the Trustee
"Trustee"	HSBC International Trustee Limited, a company with limited liability incorporated under the laws of BVI, being the trustee of each of the Imperial Trust and the Tranquil Trust
"US$" or "USD"	United States dollars, the lawful currency of the United States
"United States"	the United States of America, its territories and possessions, any State of the United States and the District of Columbia
"Wealth Express"	Wealth Express International Investment Limited (向財國際投資有限公司), a company with limited liability incorporated under the laws of BVI on July 10, 2018 and one of our Controlling Shareholders
"%"	per cent.