

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



PROSPERITY GROUP INTERNATIONAL LIMITED

恒昌集團國際有限公司

(formerly known as Kingbo Strike Limited 工蓋有限公司*)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1421)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Prosperity Group International Limited (the “**Company**”) presents the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31 December 2025 together with comparative figures for the six months ended 31 December 2024 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended 31 December	
		2025 HK\$'000 Unaudited	2024 HK\$'000 Unaudited
REVENUE	6	56,627	54,654
Cost of sales		<u>(52,230)</u>	<u>(51,161)</u>
Gross profit		4,397	3,493
Other gains and (losses), net	7	62	211
Administrative expenses		(11,991)	(11,497)
Other expenses		(114)	(106)
Allowance for expected credit loss (“ECL”) recognised in respect of financial assets at amortised cost, net		(4,635)	(6,923)
Share of results of an associate		223	(20)
Finance costs	8	(299)	<u>(137)</u>
LOSS BEFORE TAXATION	9	(12,357)	(14,979)
Income tax credit	10	1,025	<u>1,059</u>
LOSS FOR THE PERIOD		(11,332)	<u>(13,920)</u>

* For identification purposes only

	Six months ended 31 December	
	2025	2024
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
ATTRIBUTABLE TO		
Owners of the Company	(11,306)	(16,309)
Non-controlling interests	(26)	2,389
	(11,332)	(13,920)
LOSS FOR THE PERIOD	(11,332)	(13,920)
OTHER COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translating foreign operations	3,000	(1,885)
Share of other comprehensive income of an associate	16	–
Other comprehensive income (expenses) for the period, net of income tax	3,016	(1,885)
TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD	(8,316)	(15,805)
ATTRIBUTABLE TO		
Owners of the Company	(9,013)	(17,683)
Non-controlling interests	697	1,878
	(8,316)	(15,805)
Loss per share attributable to ordinary equity holders of the Company		
Basic and diluted (HK cent)	<i>11</i> 6.8	12.8

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	31 December 2025 HK\$'000 Unaudited	30 June 2025 HK\$'000 Audited
NON-CURRENT ASSETS			
Property, plant and equipment		5,498	6,399
Intangible assets		604	1,120
Interests in an associate		1,052	813
Right-of-use assets		172	430
		7,326	8,762
TOTAL non-current assets			
CURRENT ASSETS			
Inventories		42,654	28,994
Trade receivables, deposits and other receivables	13	121,642	140,767
Contract assets	14	7,525	10,989
Prepayments	15	45,143	26,077
Financial assets at fair value through profit or loss	16	3	2
Cash and cash equivalents		10,814	5,317
		227,781	212,146
TOTAL current assets			
CURRENT LIABILITIES			
Trade and other payables	17	40,858	48,938
Contract liabilities		29,437	151
Amount due to a director of the Company		3,522	1,167
Lease liabilities		686	733
Borrowings	18	8,000	8,000
Income tax payable		15,461	15,633
		97,964	74,622
TOTAL current liabilities			
NET CURRENT ASSETS		129,817	137,524
TOTAL ASSETS LESS CURRENT LIABILITIES		137,143	146,286
NON-CURRENT LIABILITY			
Lease liabilities		303	616
Deferred tax liabilities		19	632
		322	1,455
TOTAL non-current liability			
NET ASSETS		136,821	145,038
EQUITY			
Share capital		33,366	33,366
Reserves		65,997	74,767
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		99,363	108,133
Non-controlling interests		37,458	36,905
TOTAL EQUITY		136,821	145,038

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

Prosperity Group International Limited (the “**Company**”) was incorporated in the Cayman Islands on 19 June 2013 as an exempted company with limited liability under the Companies Law, Cap. 22 of the Cayman Islands. The Company’s registered office address is at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under the Companies Ordinance (Chapter 622 of the laws of Hong Kong) on 5 September 2013 and the principal place of business in Hong Kong is at Unit 903A, 9th Floor, Mirror Tower, No. 61 Mody Road, Tsim Sha Tsui East, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in supply of solar photovoltaic parts and equipment, electrical distribution system and trading of beauty and health products business in the People’s Republic of China (the “**PRC**”).

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 31 December 2025 (the “**Interim Financial Statements**”) have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 Interim Financial Reporting issued by the International Accounting Standard Board (“**IASB**”).

The Interim Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at and for the year ended 30 June 2025.

Basis of consolidation

The Interim Financial Statements comprise the financial statements of the Company and its subsidiaries for the six months ended 31 December 2025. The financial statements of the subsidiaries used in the preparation of the Interim Financial Statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to transactions and events in similar circumstances.

All intra-group balances, income and expenses resulting from intra-group transactions are eliminated in full.

3. ACCOUNTING POLICIES

The Interim Financial Statements have been prepared under the historical cost convention except for financial assets at fair value through profit or loss (Note 16) which have been measured at fair value. These financial statements are presented in HK\$. All values are rounded to nearest thousands (“**HK\$’000**”) unless otherwise stated.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 31 December 2025 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 30 June 2025.

Six months ended 31 December 2025

	Solar power business <i>HK\$'000</i> Unaudited	Electrical distribution system business <i>HK\$'000</i> Unaudited	Beauty & Health <i>HK\$'000</i> Unaudited	Total <i>HK\$'000</i> Unaudited
Segment revenue:				
Sales to external customers	<u>29,887</u>	<u>25,446</u>	<u>1,294</u>	<u>56,627</u>
Results:				
Segment results before allowance for ECL	889	1,683	(1,741)	831
(Allowance) reversal for ECL	<u>(6,610)</u>	<u>1,975</u>	<u>-</u>	<u>(4,635)</u>
Segment results	<u>(5,721)</u>	<u>3,658</u>	<u>(1,741)</u>	<u>(3,804)</u>
Unallocated gain				61
Corporate and other unallocated expenses				<u>(8,614)</u>
Loss before taxation				<u>(12,357)</u>

At 31 December 2025

	Solar power business <i>HK\$'000</i> Unaudited	Electrical distribution system business <i>HK\$'000</i> Unaudited	Beauty & Health <i>HK\$'000</i> Unaudited	Total <i>HK\$'000</i> Unaudited
Segment assets:				
Corporate and other unallocated assets	91,319	134,352	7,999	233,670
				<u>1,437</u>
Total assets				<u>235,107</u>
Segment liabilities:				
Corporate and other unallocated liabilities	38,934	22,096	2,087	63,117
				<u>35,169</u>
Total liabilities				<u>98,286</u>

Six months ended 31 December 2024

	Solar power business <i>HK\$'000</i> Unaudited	Electrical distribution system business <i>HK\$'000</i> Unaudited	Beauty & Health <i>HK\$'000</i> Unaudited	Total <i>HK\$'000</i> Unaudited
Segment revenue:				
Sales to external customers	<u>10,763</u>	<u>43,695</u>	<u>196</u>	<u>54,654</u>
Results:				
Segment results before allowance for ECL	1,519	919	(3,066)	(628)
(Allowance) reversal for ECL	<u>(9,733)</u>	<u>2,810</u>	<u>–</u>	<u>(6,923)</u>
Segment results	<u>(8,214)</u>	<u>3,729</u>	<u>(3,066)</u>	<u>(7,551)</u>
Unallocated gain				173
Corporate and other unallocated expenses				<u>(7,601)</u>
Loss before taxation				<u>(14,979)</u>

At 30 June 2025

	Solar power business <i>HK\$'000</i> Unaudited	Electrical distribution system business <i>HK\$'000</i> Unaudited	Beauty & Health <i>HK\$'000</i> Unaudited	Total <i>HK\$'000</i> Unaudited
Segment assets:				
Corporate and other unallocated assets	68,605	138,635	10,737	<u>217,977</u> 2,931
Total assets				<u>220,908</u>
Segment liabilities:				
Corporate and other unallocated liabilities	12,878	33,403	3,242	<u>49,523</u> 26,347
Total liabilities				<u>75,870</u>

Geographical information

(a) Non-current assets

	31 December 2025 <i>HK\$'000</i> Unaudited	30 June 2025 <i>HK\$'000</i> Audited
Mainland China	6,550	7,212
Hong Kong	776	1,550
	7,326	8,762

The non-current asset information is presented based on the geographical locations of the assets.

Sales of the Group to external customers were substantially made in Mainland China including Hong Kong.

6. REVENUE

Revenue represents an appropriate proportion of contract revenue of construction contracts; the net invoiced value of goods and services sold, after allowances for returns and trade discount during the respective reporting periods.

	Six months ended 31 December	
	2025 <i>HK\$'000</i> Unaudited	2024 <i>HK\$'000</i> Unaudited
At a point in time:		
– Supply of solar photovoltaic parts and equipment	29,887	10,763
– Provision of electrical distribution system	25,446	43,695
– Sales of beauty and health products	1,294	196
	56,627	54,654

All the Group's sales contracts are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

7. OTHER GAINS AND (LOSSES), NET

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Gain on disposal of a subsidiary	94	–
Gain on disposal of property, plant and equipment	–	50
Sample sales	–	38
Foreign exchange differences	(29)	2
Bank interest income	–	11
Net fair value loss on financial assets at fair value through profit or loss (<i>Note 9</i>)	1	(3)
Others	(4)	113
	<u>62</u>	<u>211</u>

8. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Interest on borrowings	242	60
Interest on lease liability	42	57
Others	15	20
	<u>299</u>	<u>137</u>

9. LOSS BEFORE TAXATION

The Group's loss before tax is arrived at after charging the following items:

	Six months ended 31 December	
	2025 <i>HK\$'000</i> Unaudited	2024 <i>HK\$'000</i> Unaudited
(a) Auditors' remuneration	505	570
Depreciation expense:		
Property, plant and equipment	1,010	297
Right-of-use assets	258	354
Amortisation of intangible assets (included in cost of sales)	516	96
Cost of goods and services provided	52,230	51,161
Minimum lease payments under operating leases	202	879
Employee benefits	<u>6,801</u>	<u>6,514</u>
(b) Employee benefits (including Directors' remuneration):		
– Directors' emoluments	1,502	1,286
– Other staff salaries, wages and bonuses	4,751	4,728
– Other staff equity-settled share-based expense	243	114
– Retirement benefits, excluding directors' emoluments	<u>305</u>	<u>386</u>
	<u>6,801</u>	<u>6,514</u>
(c) Net fair value gain (loss) on financial assets at fair value through profit or loss (<i>Note 7</i>)	<u>1</u>	<u>(3)</u>

10. INCOME TAX (CREDIT) EXPENSE

	Six months ended 31 December	
	2025 <i>HK\$'000</i> Unaudited	2024 <i>HK\$'000</i> Unaudited
Current – PRC		
– Charge for the period	954	698
– Overprovision in prior years	<u>(1,979)</u>	<u>(1,757)</u>
– Tax (credit) charge for the period	<u>(1,025)</u>	<u>(1,059)</u>

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both period. Withholding tax was provided for dividend distributed and undistributed profits of certain subsidiaries in the PRC at a rate of 10% for both period.

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

11. BASIC AND DILUTED LOSS PER SHARE

The weighted average number of equity shares refers to shares in issue during the period. The Group had no potentially dilutive ordinary shares (six months ended 31 December 2025: Nil) in issue during the period.

The calculations of basic and diluted loss per share are based on:

	Six months ended	
	31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Loss		
Loss attributable to equity holders of the Company, used in the basic and diluted loss per share calculation (HK\$'000)	(11,306)	(16,309)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculation (in thousand)	166,830	127,210
Basic and diluted loss per share (HK cent)	<u>6.8</u>	<u>12.8</u>

The computation of diluted earnings per share for the both periods does not assume the exercise of the Company's outstanding share options as the relevant exercise price of those options were higher than the average market price for the current period.

12. DIVIDEND

No dividend was declared for the six months ended 31 December 2025 and 2024.

13. TRADE RECEIVABLES, DEPOSITS AND OTHER RECEIVABLES

	31 December 2025 HK\$'000 Unaudited	30 June 2025 HK\$'000 Audited
Trade receivables:		
Third parties		
– Gross amount	221,479	233,538
– Less: allowance for ECL	<u>(101,005)</u>	<u>(94,040)</u>
	<u>120,474</u>	<u>139,498</u>
Deposits and other receivables:		
Deposits	701	822
Others	<u>467</u>	<u>447</u>
	<u>1,168</u>	<u>1,269</u>
Total trade receivables, deposits and other receivables	<u>121,642</u>	<u>140,767</u>

Trade receivables are non-interest bearing and with credit terms ranged from of 180 to 360 days.

An aging analysis of the trade receivables as at the end of the reporting periods, based on the invoice date (net of allowance for ECL), are as follows:

	31 December 2025 HK\$'000 Unaudited	30 June 2025 HK\$'000 Audited
Less than 90 days	28,241	68,008
91 to 180 days	19,809	6,923
181 to 365 days	52,755	25,210
Over 365 days	<u>19,669</u>	<u>39,357</u>
	<u>120,474</u>	<u>139,498</u>

Trade receivables that were past due but not impaired relate to a number of customers that have a good track record with the Group. The Group does not hold any collateral or other credit enhancements over these balances.

14. CONTRACT ASSETS

	31 December 2025 HK\$'000 Unaudited	30 June 2025 HK\$'000 Audited
Contract assets (<i>Note</i>)	11,274	15,490
Less: allowance for ECL	(3,749)	(4,501)
	<u>7,525</u>	<u>10,989</u>

Note: Contract assets primarily relate to the subsidiaries, i) retention receivable of provision of electrical distribution system and ii) retention receivable of installation of solar photovoltaic parts. Contract assets are transferred to receivables when the rights become unconditional.

15. PREPAYMENTS

	31 December 2025 HK\$'000 Unaudited	30 June 2025 HK\$'000 Audited
Prepayments		
– Advance payments made to suppliers (<i>Note</i>)	44,839	25,838
– Other	304	239
	<u>45,143</u>	<u>26,077</u>

Note: For the Group's business operations, advance payments are required when suppliers request partial or full payment for products prior to the delivery or provision of the relevant goods or services. As at 31 December 2025, advance payments were required where suppliers requested partial or a specified percentage of the payment prior to delivery or provision of the relevant goods or services. These mainly comprised approximately HK\$27,241,000 (30 June 2025: HK\$22,022,000) in prepayments for electrical distribution systems, and approximately HK\$14,976,000 (30 June 2025: nil) in prepayments for components of perovskite thin-film deposition equipment. These prepayments were made in accordance with the terms specified in the respective purchase contracts, and the Group had fully entered into corresponding sales contracts with customers.

The remaining balances mainly represent advance payments to suppliers of HK\$1,555,000 (30 June 2025: HK\$2,240,000) for goods and services, and a prepaid licence fee of HK\$1,067,000 (30 June 2025: HK\$1,576,000), both related to the beauty and health business.

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2025 HK\$'000 Unaudited	30 June 2025 HK\$'000 Audited
Listed securities held-for-trading, at fair value:		
Equity securities listed in Hong Kong	3	2

The above equity investments at 31 December 2025 and 30 June 2025 were classified as financial assets at fair value through profit or loss and were accordingly, belong to the financial assets at fair value through profit or loss category.

Stock code	Company name	No. of share held at 31 December 2025	Market value as at 31 December 2025 <i>HK\$'000</i> Unaudited	Market value as at 30 June 2025 <i>HK\$'000</i> Audited	Change in fair value of held-for-trading instruments for the years ended	
					31 December 2025 <i>HK\$'000</i> Unaudited	31 December 2024 <i>HK\$'000</i> Unaudited
164	China Baoli Technologies Holdings Limited	4,900	2	2	-	(3)
8293	SingAsia Holdings Limited	2,000	1	-*	1	-
			<u>3</u>	<u>2</u>	<u>1</u>	<u>(3)</u>

Equity securities listed in Hong Kong were measured at fair value at the end of the reporting period. The fair value of the equity securities listed in Hong Kong were determined with reference to quoted market closing price.

* The market value of equity securities in SingAsia Holdings Limited amount to HK\$278. The amount shown above is a result of rounding.

17. TRADE AND OTHER PAYABLES

	31 December 2025 <i>HK\$'000</i> Unaudited	30 June 2025 <i>HK\$'000</i> Audited
Trade payables:		
Third parties	<u>9,469</u>	<u>17,522</u>
Other payables:		
Accrued liabilities	4,363	3,874
VAT payable and other tax payables	18,943	20,954
Warranty provision	3,598	3,565
Others	<u>4,485</u>	<u>3,023</u>
	<u>31,389</u>	<u>31,416</u>
Total	<u>40,858</u>	<u>48,938</u>

Accrued liabilities refer mainly to accrual for professional fees and employee benefits. These trade and other payables are non-interest bearing and trade payables are normally settled on terms from 30 to 90 days while other payables have an average term of 30 days.

An aging analysis of the trade payables at the end of the reporting date, based on the invoice date, is as follows:

	31 December 2025 HK\$'000 Unaudited	30 June 2025 HK\$'000 Audited
Trade payables:		
Less than 90 days	5,065	13,330
91 to 180 days	50	–
181 to 270 days	4,354	4,192
	<u>9,469</u>	<u>17,522</u>

18. BORROWINGS

	31 December 2025 HK\$'000 Unaudited	30 June 2025 HK\$'000 Audited
Unsecured other borrowings	<u>8,000</u>	<u>8,000</u>
Represented by:		
Carrying amount repayable within one year	<u>8,000</u>	<u>8,000</u>
	<u>8,000</u>	<u>8,000</u>

The other borrowings are denominated in HK\$, unsecured and unguaranteed and bear a fixed interest rate of 6% per annum as at 31 December 2025 and 30 June 2025.

19. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel of the Group:

	Six months ended	
	31 December 2025 HK\$'000 Unaudited	2024 HK\$'000 Unaudited
Directors' emoluments	1,502	1,286
Salaries and bonuses	2,850	2,850
Equity-settled share-based expense	39	41
Pension scheme contributions	27	27
	<u>4,418</u>	<u>4,204</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the period under review, the performance of Prosperity Group International Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) in different business lines were as follows:

Solar Power Business

The Group’s solar power business mainly engaged in supply and installation of solar photovoltaic parts and equipment. During the period, the Group has recognised a revenue of approximately HK\$29.9 million from the solar power business for the six months ended 31 December 2025, an increase is noted compared to a revenue of approximately HK\$10.8 million in the six months ended 31 December 2024, as the Group secured and delivered a higher volume of contracts during the period.

Electrical Distribution System

The Group recorded a revenue of approximately HK\$25.4 million in the six months ended 31 December 2025, compared to a revenue of approximately HK\$43.7 million in the six months ended 31 December 2024. A decrease was noted due to the lower volume of contract during the period.

Beauty and Health Business

The Group recorded a revenue of approximately HK\$1.3 million in the six months ended 31 December 2025, compared to a revenue of approximately HK\$0.2 million in the six months ended 31 December 2024.

FINANCIAL REVIEW

Revenue

For the six months ended 31 December 2025, majority of the Group’s revenue was derived from solar power business, electrical distribution system and beauty and health products in the People’s Republic of China (the “**PRC**”).

Revenue contributed from solar power business, electrical distribution system and beauty and health products in PRC comprised approximately 52.8% (HK\$29.9 million), 44.9% (HK\$25.4 million) and 2.3% (HK\$1.3 million) of the total revenue of the Group, respectively.

Operating Results

During the period under review, gross profit of the Group increased by 25.7% to approximately HK\$4.4 million (six months ended 31 December 2024: HK\$3.5 million) as compared to the six months ended 31 December 2024. Gross profit margin increases from that of 6.4% for the six months ended 31 December 2024 to 7.8% for the six months ended 31 December 2025. An increase in gross profit margin is attributable to a general increase in pricing.

Loss attributable to owners of the Company is approximately HK\$11.3 million (six months ended 31 December 2024: loss of HK\$16.3 million) and basic loss per share attributable to ordinary equity holders of the parent is HK\$6.8 cent (six months ended 31 December 2024: loss per share of HK\$12.8 cent). The change is mainly attributable to the combined effect of (i) improvement in solar power business segment results to a loss of approximately HK\$5.7 million (six months ended 31 December 2024: loss of HK\$8.2 million); (ii) improvement in Beauty and Health business segment result to a loss of HK\$1.7 million (six months ended 31 December 2024: loss of HK\$3.0 million); and (iii) increase in corporate and other unallocated expenses to approximately HK\$8.6 million (six months ended 31 December 2024: HK\$7.6 million).

Other Gains and Losses

Other gains and losses had changed from a net gain of approximately HK\$0.2 million for the six months ended 31 December 2024 to a gain of approximately HK\$0.06 million for the six months ended 31 December 2025. The other gains and losses mainly represented gain on disposal of a subsidiary, foreign exchange differences, sample sales, bank interest income and net fair value loss on financial assets at fair value through profit or loss.

Administrative Expenses

Administrative expenses for the six months ended 31 December 2025 increased to HK\$12.0 million for the six months ended 31 December 2025 compared to approximately HK\$11.5 million for the six months ended 31 December 2024. The increase was generally due to the increase in employee benefits.

Taxation

There was a net income tax credit of approximately HK\$1.0 million for the six months ended 31 December 2025 compared to net income tax credit of approximately HK\$1.1 million for the six months ended 31 December 2024, which mainly due to overprovision of tax expenses in prior year in solar power business in PRC.

Liquidity, Financial Resources and Gearing

As at 31 December 2025, net current assets of the Group were approximately HK\$129.8 million (30 June 2025: HK\$137.5 million). Besides, the Group maintained cash and cash equivalents of approximately HK\$10.8 million (30 June 2025: HK\$5.3 million).

The Group's gearing ratio was 0.42 (30 June 2025: 0.49), which was calculated on the basis of net debt over equity attributable to owners of the Company. Net debt is calculated as total borrowings plus trade and other payables less cash and cash equivalents.

2025 Placing

On 18 March 2025, the Company entered into a placing agreement (the “**2025 Placing Agreement**”) with Advent Securities (Hong Kong) Limited, pursuant to which Advent Securities (Hong Kong) Limited agreed to place up to 25,025,000 new shares of the Company to not less than six placees on a best effort basis at a placing price of HK\$0.2 per placing share (the “**2025 Placing**”). The 2025 Placing was completed on 8 April 2025 and 25,025,000 new shares of the Company with an aggregate nominal value of HK\$5,005,000 were allotted and issued by the Company to not less than six placees who were independent individuals, corporations and/or institutional investors, who and whose ultimate beneficial owners were third parties independent of and not connected with the Company and its connected persons.

The placing price of HK\$0.2 represented (i) a discount of approximately 9.91% to the closing price of HK\$0.222 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a premium of approximately 9.91% over the average closing price per Share of approximately HK\$0.222 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the 2025 Placing Agreement.

The net placing price for the 2025 Placing was approximately HK\$0.185 per placing share. The 2025 Placing was conducted by the Company to raise additional funding for the business operations of the Group and strengthen the financial position of the Group for future development. The net proceeds amounting to approximately HK\$4.62 million arising from the 2025 Placing shall be fully applied as general working capital of the Group.

As at 31 December 2025, the Group had utilised the net proceeds of the 2025 Placing as follows:

Intended use of net proceeds	Allocation of net proceeds HK\$ (million)	Utilisation up to the period ended 31 December 2025 HK\$ (million)
General working capital of the Group	4.62	4.62

The utilisation of net proceeds was in accordance to the original intention disclosed in the announcement of the Company dated 18 March 2025 in relation to the 2025 Placing.

2026 Placing

On 6 January 2026, the Company entered into a placing agreement (the “**2026 Placing Agreement**”) with Advent Securities (Hong Kong) Limited, pursuant to which Advent Securities (Hong Kong) Limited agreed to place up to 33,365,000 new shares of the Company to not less than six placees on a best effort basis at a placing price of HK\$0.34 per placing share (the “**2026 Placing**”). The 2026 Placing was completed on 28 January 2026 and 33,365,000 new shares of the Company with an aggregate nominal value of HK\$6,673,000 were allotted and issued by the Company to not less than six placees who were independent individuals, corporations and/or institutional investors, who and whose ultimate beneficial owners were third parties independent of and not connected with the Company and its connected persons.

The placing Price is HK\$0.34 per Placing Share and represents: (i) a discount of approximately 19.05% to the closing price of HK\$0.42 per Share as quoted on the Stock Exchange on the date of the 2026 Placing Agreement; and (ii) a discount of approximately 17.07% to the average closing price per Share of approximately HK\$0.41 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the 2026 Placing Agreement.

The net placing price for the 2026 Placing was approximately HK\$0.32 per placing share. The 2026 Placing was conducted by the Company to raise additional funding for the business operations of the Group and strengthen the financial position of the Group for future development. The net proceeds amounting to approximately HK\$10.54 million arising from the 2026 Placing shall be fully applied as general working capital of the Group.

Details of the 2026 Placing are set out in the announcements of the Company dated 6 January 2026 and 28 January 2026.

Capital Structure, Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group primarily financed its operations with internally generated cash flows, internal resources, external financing and shareholder's equity. Cash was generally placed in short-term deposits. The liquidity and financing requirements of the Group were reviewed regularly.

The Group's business mainly operates in PRC and Hong Kong. Accordingly, its revenue and transactions arising from its operations were generally settled in Renminbi and Hong Kong dollars. As a result, fluctuations in the value of Hong Kong dollars against Renminbi could adversely affect the cash and cash equivalent which is reported in Hong Kong dollars. During the six months ended 31 December 2025, the Group did not experience in any material difficulties or impacts on its operations or liquidity as a result of currency exchange fluctuation.

The Group did not use any financial instruments for hedging purposes during the six months ended 31 December 2025 and there was no hedging instrument outstanding as at 31 December 2025. The Group will continue to monitor closely the exchange rate risk arising from its existing operations and new investments in future. The Group will further implement the necessary hedging arrangement to mitigate any significant foreign exchange risk when and if appropriate.

Capital management

The primary objectives of the Group's capital management are to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The capital of the Group comprises of share capital and reserves.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 30 June 2025 and the period ended 31 December 2025.

The Group monitors capital using a gearing ratio, which is net debt/cash divided by equity attributable to owners of the Company. Net debt/cash includes trade and other payables, less cash and cash equivalents. The Group seeks to maintain a sustainable gearing ratio to meet its existing requirements.

Charge on Assets

As at 31 December 2025 and 30 June 2025, the Group had no charges on its assets.

Capital Expenditure and Commitments

During the six months ended 31 December 2025 and six months ended 31 December 2024, the Group did not make significant capital expenditure.

As at 31 December 2025, the Group has capital commitments contracted for but not provided in the condensed consolidated financial statements of approximately HK\$0.6 million (30 June 2024: HK\$0.6 million).

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries and Associated Companies

As at 31 December 2025, the Group held certain listed securities as financial assets at fair value through profit or loss.

Save for those disclosed above and in note 16 to this interim results announcement, there were no other significant investments held. Nor were there any material acquisitions or disposals during the period under review.

Contingent Liabilities

As of 31 December 2025, the Group did not have any significant contingent liabilities.

Employment and Remuneration Policy

As at 31 December 2025, the total number of employees of the Group was 44 (30 June 2025: 35). During the period under review, employees costs (including Directors' emoluments) amounted to approximately HK\$6.8 million (six months ended 31 December 2024: HK\$6.5 million). Remuneration of the employees which included salary and discretionary bonus was based on the Group's results and individual performance. Medical and retirement benefits schemes were made available to qualified personnel.

Prospects

Looking ahead, the Board of the Group will continue to monitor the market conditions, prudently evaluate the operating status of each project, and adopt appropriate cost control measures to respond to the challenging operating environment and enhance overall operational efficiency.

Meanwhile, in view of the vast scale of the market in the PRC, the Group remains confident in the business development in Chinese Mainland. We will continue to operate our new energy and electrical distribution system business and vigorously expand our market presence. During the reporting period, the Group established a joint venture, which is engaged in the high-end perovskite equipment business in Chinese Mainland.

Going forward, the Group will continue to prudently seek investment projects in the new energy and semiconductor industries that offer both stable returns and high growth potential (including but not limited to the extension of our existing businesses), with a view to continuously enhancing shareholder value.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to establish and maintain high standard of corporate governance. The Company believes that good corporate governance system provides a sustainable and solid foundation for the Company to manage business risks, enhance transparency, advance accountability and maximise shareholders' interests.

The Company has applied the principles of Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and complied with all applicable code provisions of the CG Code throughout the six months ended 31 December 2025, save and except for the below deviations.

Code provision C.2.1

Code provision C.2.1 of the CG Code stated that the roles of chairman and managing director should be separate and should not be performed by the same individual.

For the six months ended 31 December 2025, the chairman of the board (the “**Board**”) of directors of the Company (the “**Chairman**”), Mr. Liu Yancheng was responsible for the general operations of the Board and the overall strategy of the Group. The Board considers that this structure would not impair the balance of power and authority between the directors and the management of the Group.

The roles of the respective executive Directors and senior management, who are in charge of different functions, complements the roles of chairman and managing director. The Board believes that this structure is conducive to strong and consistent leadership which enables the Group to operate efficiently.

The Board understands the importance of complying with the code provision C.2.1 of the CG Code and will continue to consider the feasibility of compliance. If compliance is determined, appropriate persons will be nominated to take up the different roles of the Chairman and the Managing Director.

Code provision C.1.8

According to Code C.1.8 of the CG Code, the Company should arrange appropriate insurance cover in respect of legal action against its directors. The Board believes that with the current risk management and internal control systems and the close supervision of the management, the Directors' risk of being sued or getting involved in litigation in their capacity as Directors is relatively low. Benefits to be derived from taking out insurance may not outweigh the cost. As such, the Company currently does not have insurance cover for legal action against its directors.

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as the code of practice for carrying out securities transactions by the Directors. After specific enquiry with all members of the Board, the Company confirmed that all Directors have fully complied with the relevant standards stipulated in the Model Code during the six months ended 31 December 2025.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATE CORPORATION

As at 31 December 2025, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”) which were 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 have taken or deemed to have taken under such provisions of the SFO); (ii) recorded in the register kept by the Company under 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, were as follows:

Long Positions in Shares and Underlying Shares of the Company

Director	Capacity/Nature	Personal Interest	Other interest (Note 3)	Total interest	Percentage of interest in the Company's issued share capital
Mr. Liu Yancheng	Beneficial owner	570,000	696,869	1,266,869	0.76%
	Interest of spouse (Note 1)	375,000	–	375,000	0.22%
Mr. Yao Runxiong	Beneficial owner	11,108,750	–	11,108,750	6.66%
	Interest of spouse (Note 2)	931,500	–	931,500	0.56%
Mr. Wu Yifeng	Beneficial owner	6,110,000	–	6,110,000	3.66%

Notes:

1. 375,000 shares of the Company are legally and beneficially owned by Ms. Zhang Juanying, the spouse of Mr. Liu Yancheng. Mr. Liu Yancheng is therefore deemed to be interested in the 375,000 shares of the Company for the purposes of the SFO.
2. 931,500 shares of the Company are legally and beneficially owned by Ms. Zhuang Yanzhu, the spouse of Mr. Yao Runxiong. Mr. Yao Runxiong is therefore deemed to be interested in the 931,500 shares of the Company for the purposes of the SFO.
3. These interests represent options granted to the Directors as beneficial owners under the share option scheme of the Company. Details of the interests of the Directors in the share options of the Company are disclosed in the section “Share Option Scheme” below.

Save as disclosed above, as at 31 December 2025, none of the Directors nor chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

SHARE OPTION SCHEME

2017 Scheme

A share option scheme was adopted by the Company following the resolution passed at the annual general meeting of the Company held on 20 October 2017 and was terminated on 15 December 2023 (the “**2017 Scheme**”). All outstanding options granted under the 2017 Scheme will continue to be valid and exercisable in accordance with the provisions of the 2017 Scheme. For more details of the share option scheme, please refer to the circular of the Company dated 14 September 2017.

As at 31 December 2025, the number of shares in respect of which options under 2017 Scheme had been granted and remained outstanding was 1,663,568 shares, representing approximately 1.00% of the shares of the Company in issue as at 31 December 2025.

Details of the movements in the share options granted to Directors and employees under the 2017 Scheme during the period ended 31 December 2025 are as follows:

Grantees	Date of grant	Exercise period	Exercise price per Share HK\$	Outstanding	Granted during the period	Lapsed during the period	Outstanding
				balance as at 1 July 2024			balance as at 31 December 2024
Mr. Liu Yancheng	20 December 2022	20 December 2023– 19 December 2032	0.838	696,869	–	–	696,869
Employees	20 December 2022	20 December 2023– 19 December 2032	0.838	966,699	–	–	966,699

These options were vested on 20 December 2023 and exercisable from the date of vesting to 19 December 2032 (both dates inclusive). The closing price of the Company's shares immediately before the date on which these options were granted was HK\$0.76 (after taking into account the share consolidation which became effective on 1 March 2023). The number of shares that may be issued in respect of options granted under the 2017 Scheme during the period ended 31 December 2025 divided by the weighted average of the Company's shares in issue for the period ended 31 December 2025 was approximately 1.00%.

2023 Scheme

A share option scheme was adopted by the Company following the resolution passed at the annual general meeting of the Company held on 15 December 2023 (the "2023 Scheme") and was terminated on 21 November 2025. The main purpose of the scheme is to provide incentives and rewards to the eligible participants including full time or part time employees of the Group (including any directors). As at the date of adoption of the share option scheme, the total number of issued shares of the Company was 83,416,800 shares of HK\$0.2 each. Pursuant to the Listing Rules and the share option scheme, the total number of shares which might fall to be issued upon exercise of all share options to be granted under the share option scheme was 8,341,680, representing 10% of the then total number of issued shares of the Company as at the date of adoption of the share option scheme and the maximum number of shares that might be issued upon the exercise of all share options under the share option scheme or other schemes.

Total number of shares available for issue

The 2023 Scheme was adopted on 15 December 2023. The number of options available for grant under 2023 Scheme and at the beginning of the financial year (i.e. 1 July 2025) was 6,678,112.

Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of options and other incentive grants (whether exercised or outstanding) in any 12-month period granted to each participant must not exceed 1% of the aggregate number of shares in issue. Subject to separate approval by the shareholders of the Company in general meeting with the relevant participant and his/her close associates (or associates if the participant is a connected person of the Company) abstaining from voting provided the Company must issue a circular to its shareholders before such approval is sought, the Company may grant options and other incentive grants to a participant which would exceed this limit.

Option period

The period within which the shares must be taken up under an option shall be determined by the Board in its absolute discretion at the time of grant, but such period must not be more than 10 years from the date of grant of the relevant option.

Vesting period of options granted

The minimum period, if any, for which an option must be held before it can vest shall not be less than 12 months unless (in the case of employee participants) one of the short vesting circumstances referred to in the Company's circular dated 30 October 2023 applies.

Remaining life

Not applicable as the 2023 Scheme was terminated on 21 November 2025.

Save as disclosed above, no option was granted, exercised, cancelled or lapsed under 2023 Scheme during the period and as at the date of this announcement since adoption of the 2023 Scheme. For more details of the 2023 Scheme, please refer to the circular of the Company dated 30 October 2023.

SHARE INCENTIVE SCHEME

The Company has adopted the share incentive scheme since 21 November 2025 (the "**Share Incentive Scheme**"). The Share Award Scheme is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules. It is established to recognise and acknowledge the contributions of the eligible participants.

The Eligible Participants under the Share Incentive Scheme includes the directors and employees of the Company or any of its subsidiaries, and any other person who is granted awards as an inducement to enter into an employment or engagement contract with any of these companies.

The vesting period for an award under the Share Incentive Scheme is generally for a minimum period of 12 months in order to incentivise Selected Participants to remain with the Group, save for certain prescribed circumstances in which the Board or the Committee may impose a shorter vesting period for Employee Participants.

The Share Incentive Scheme shall terminate on the earlier of (i) the tenth (10th) anniversary date of the effective date of the Share Award Scheme or (ii) such date of early termination as determined by the Board.

As at 21 November 2025 (the adoption date of the Share Award Scheme) and 31 December 2025, the aggregate number of awards available for grant under the Share Incentive Scheme were 16,683,020.

As at the date of this announcement, no shares have been awarded, cancelled or lapsed under the Share Incentive Scheme since its adoption. The selected eligible participants are not required to provide consideration for being granted the award shares under the Share Incentive Scheme.

As at the date of this announcement, the total number of shares available for issue under the Share Incentive Scheme is 16,683,020 Shares and the percentage of the issued shares (excluding treasury shares) that it represented is 8.33%. The maximum entitlement of each participant under the Share Award Scheme is 1% of the total number of Shares in issue. The remaining life of the Share Incentive Scheme is 9.9 years. The number of shares that may be issued in respect of options and awards granted under all schemes of the Company during the period divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) for the year is 10%.

Other than the share option schemes and the share incentive scheme of the Company aforementioned, at no time during the Period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' RIGHTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the above "SHARE OPTION SCHEME", at no time during the six months ended 31 December 2025 was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any body corporate, and none of the Directors and chief executives or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

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

As at 31 December 2025, the Company has not been notified by any person or entity who had or was deemed to have interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of SFO.

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

During the six months ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

INTERIM DIVIDEND

The Board did not declare any interim dividend for the six months ended 31 December 2025.

AUDIT COMMITTEE

The Audit Committee was established on 9 December 2013 with written terms of reference specifying its authority and duties which is available on the websites of the Stock Exchange and the Company. The Audit Committee comprises of three non-executive Directors, amongst which three are independent. They are namely Mr. Chen Yeung Tak, Mr. Wang Haoyuan and Ms. Chan Sheung Yu. Mr. Chen Yeung Tak is the chairman of the Audit Committee.

The Audit Committee has reviewed with senior management the accounting principles and practices adopted by the Group and also discussed the financial reporting matters including the review of the unaudited condensed consolidated financial statements of the Company for the six months ended 31 December 2025.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the websites of the Stock Exchange (<http://www.hkex.com.hk>) and the Company. The 2025/2026 interim report containing all the information required by the Listing Rules will be despatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
Prosperity Group International Limited
Liu Yancheng
Chairman

Hong Kong, 27 February 2026