SHUOAO 碩奧

SHUOAO INTERNATIONAL HOLDINGS LIMITED
碩奧國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2336)

ANNOUNCEMENT OF THE UNAUDITED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board of directors (the "**Board**") of Shuoao International Holdings Limited (the "**Company**") hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 together with comparative figures as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS — UNAUDITED

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
Revenue	*3*	**39,627**	77,209
Cost of sales		**(32,697)**	(69,757)
Gross profit		**6,930**	7,452
Other income	*4(a)*	**6,394**	5,396
Other net (loss)/gain		**(449)**	1,310
Selling and distribution expenses		**(971)**	(1,248)
Administrative and other expenses		**(9,225)**	(13,035)
Profit/(loss) from operations		**2,679**	(125)
Finance costs	*4(b)*	**(35)**	(49)
Profit/(loss) before taxation	*4*	**2,644**	(174)
Income tax credit	*5*	**–**	38
Profit/(loss) for the period		**2,644**	(136)
Attributable to:			
Owners of the Company		**1,909**	(202)
Non-controlling interests		**735**	66
Profit/(loss) for the period		**2,644**	(136)
Earnings/(loss) per share	*7*		
Basic (HK cent per share)		**0.11**	(0.01)
Diluted (HK cent per share)		**0.11**	(0.01)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME — UNAUDITED

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Profit/(loss) for the period	**2,644**	(136)
Other comprehensive income for the period, net of tax:		
Item that will not be reclassified to profit or loss:		
Fair value change on financial assets at fair value through other comprehensive income	**15,337**	5,748
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	**9,663**	13,368
Other comprehensive income for the period	**25,000**	19,116
Total comprehensive income for the period	**27,644**	18,980
Attributable to:		
Owners of the Company	**26,672**	18,634
Non-controlling interests	**972**	346
Total comprehensive income for the period	**27,644**	18,980

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION — UNAUDITED

As at 30 June 2026

	Notes	**As at 30 June 2026** **_HK$'000_**	As at 31 December 2025 *HK$'000* (Audited)
Non-current assets			
Property, plant and equipment		**26,173**	26,851
Right-of-use assets		**2,273**	3,431
Financial assets at fair value through other comprehensive income		**70,999**	58,283
Deferred tax assets		**11,052**	10,636
		110,497	99,201
Current assets			
Inventories		**4,567**	12,353
Properties for sale under development	*8*	**211,465**	202,024
Trade and bill receivables	*9*	**36,928**	32,293
Prepayments, deposits and other receivables		**1,374**	1,756
Bank and cash balances		**77,873**	70,989
		332,207	319,415
Current liabilities			
Trade payables	*10*	**30,942**	35,736
Accruals, other payables and deposits received		**18,602**	16,177
Lease liabilities		**709**	1,637
		50,253	53,550
Net current assets		**281,954**	265,865
Total assets less current liabilities		**392,451**	365,066
Non-current liabilities			
Lease liabilities		**1,576**	1,835
NET ASSETS		**390,875**	363,231
Capital and reserves			
Share capital		**18,159**	18,159
Reserves		**365,594**	338,922
Equity attributable to owners of the Company		**383,753**	357,081
Non-controlling interests		**7,122**	6,150
TOTAL EQUITY		**390,875**	363,231

Notes:

1. Basis of preparation

The interim financial report has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosures required by the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). It was authorised for issue on 24 August 2026.

The interim financial report is unaudited, but has been reviewed by ZHONGHUI ANDA CPA Limited 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.

The interim financial results should be read in conjunction with the annual audited financial statements for the year ended 31 December 2025. The accounting policies and methods of computation used in the preparation of the interim financial results are consistent with those used in the annual audited financial statements for the year ended 31 December 2025.

The interim financial results have been prepared under the historical cost convention, as modified by certain financial instruments which are carried at their fair values, and are presented in Hong Kong dollars which is the functional currency of the Company.

2. Adoption of new and revised HKFRS Accounting Standards

In the current period, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2026. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards ("**HKFRS**"); HKAS; and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current period and prior years.

The Group is in the process of making an assessment on the impact of these new standards and amendments to standards and preliminary results shows that their application is not expected to have material impact on the financial performance and the financial position of the Group except for the adoption of HKFRS 18 as mentioned below.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of HKFRS 18) and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. Revenue and segment reporting

The Group has three operating and reportable segments as follows:

— Sale of metals

— Development and provision of electronic turnkey device solutions

— Property development

The accounting policies of the operating segments are the same as those adopted in the annual audited financial statements of the Company for the year ended 31 December 2025. Segment profit or loss does not include intercompanies income and expenses, unallocated corporate other income, unallocated corporate other net gain or loss, unallocated corporate expenses, finance costs and income tax expense or credit. Segment assets do not include intercompanies assets and unallocated corporate assets. Segment liabilities do not include intercompanies liabilities and unallocated corporate liabilities. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and performance assessment.

(a) Disaggregation of revenue

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

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or services		
— Sale of metals	**–**	29,576
— Development and provision of electronic turnkey device solutions	**39,627**	47,633
	39,627	77,209
Disaggregated by geographical location of customers		
— The People's Republic of China except Hong Kong	**39,627**	47,633
— Hong Kong	**–**	29,576
	39,627	77,209

(b) Information about reportable segment revenue, profit or loss, assets and liabilities

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance for the period is set out below.

	Sale of metals Six months ended 30 June		Development and provision of electronic turnkey device solutions Six months ended 30 June		Property development Six months ended 30 June		Total Six months ended 30 June	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Disaggregated by timing of revenue recognition								
Point in time	**–**	29,576	**39,627**	47,633	**–**	–	**39,627**	77,209
Revenue from external customers	**–**	29,576	**39,627**	47,633	**–**	–	**39,627**	77,209
Segment (loss)/profit before finance costs and income tax credit	**(707)**	1,274	**1,512**	145	**548**	299	**1,353**	1,718
	As at 30 June 2026	**As at 31 December 2025**	**As at 30 June 2026**	**As at 31 December 2025**	**As at 30 June 2026**	**As at 31 December 2025**	**As at 30 June 2026**	**As at 31 December 2025**
	HK$'000	*HK$'000* (Audited)	***HK$'000***	*HK$'000* (Audited)	***HK$'000***	*HK$'000* (Audited)	***HK$'000***	*HK$'000* (Audited)
Segment assets	**38,565**	65,691	**55,630**	56,114	**223,427**	213,888	**317,622**	335,693
Segment liabilities	**100**	100	**41,326**	43,762	**9,789**	10,557	**51,215**	54,419

(c) Reconciliation of reportable segment profit or loss

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Total profit of reportable segments	**1,353**	1,718
Unallocated amounts:		
Unallocated corporate other income	**4,745**	3,001
Unallocated corporate other net gain/(loss)	**98**	(21)
Unallocated corporate expenses	**(3,517)**	(4,823)
Finance costs	**(35)**	(49)
Profit/(loss) before taxation	**2,644**	(174)

4. Profit/(loss) before taxation

The Group's profit/(loss) before taxation for the period is arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
(a) Other income		
Bank interest income	**12**	51
Dividend income from financial assets at fair value through other comprehensive income — investments held at the end of the reporting period	**4,745**	3,000
Rental income	**862**	771
Sundry income	**775**	1,574
	6,394	5,396
(b) Finance costs		
Interest on lease liabilities	**35**	49
(c) Staff costs (including Directors' remuneration)		
Salaries, bonus and allowances	**9,466**	13,599
Retirement benefits scheme contributions	**526**	647
	9,992	14,246

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
(d) Other items		
Cost of inventories sold	**32,329**	70,478
Net foreign exchange loss/(gain)	**507**	(1,309)
Depreciation of property, plant and equipment	**924**	858
Depreciation of right-of-use assets	**719**	781
Impairment loss on trade and bill receivables	**4**	2,203
Reversal of impairment loss on other receivables	**–**	(213)
Reversal of write-down of inventories	**–**	(721)
Research and development costs	**2,458**	1,918
Expenses relating to leases of low-value assets that are not short-term leases	**7**	7

Cost of inventories sold included staff costs, depreciation and short-term lease expenses totalling approximately HK$4,901,000 (six months ended 30 June 2025: approximately HK$8,894,000), while research and development costs included staff costs and depreciation totalling approximately HK$2,195,000 (six months ended 30 June 2025: approximately HK$1,749,000), which are included in the amounts disclosed separately above.

5. Income tax credit

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Current tax — Overseas		
Over-provision in prior periods	**–**	(38)

No provision for Hong Kong Profits Tax had been made for the six months ended 30 June 2026 and 2025 as the Group sustained a loss for taxation purpose during the periods.

No provision for overseas tax had been made for the six months ended 30 June 2026 and 2025 as the Group did not have any assessable profits arising outside Hong Kong during the period.

6. Dividends

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

7. Earnings/(loss) per share

The calculation of the basic and diluted profit/(loss) per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Profit/(loss):		
Profit/(loss) for the purpose of calculating basic and diluted profit/(loss) per share attributable to owners of the Company	**1,909**	(202)

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	**1,815,911**	1,815,911

The basic and diluted profit/(loss) per share for the six months ended 30 June 2026 and 2025 were the same as the Company had no dilutive potential ordinary shares in issue during the periods.

8. Properties for sale under development

Movements of properties for sale under development are as follows:

	HK$'000
At 1 January 2025	185,911
Additions	1,300
Exchange differences	14,813
At 31 December 2025 (audited) and 1 January 2026	**202,024**
Additions	**1,566**
Exchange differences	**7,875**
At 30 June 2026	**211,465**

As at 30 June 2026, the properties for sale under development included the payment for the land and the related professional and governmental fees in relation to the acquisition of a piece of land in Australia which was approved by the shareholders of the Company on 10 February 2015 (details of the agreement are set out in the circular of the Company dated 24 January 2015). The amounts were not expected to be recovered within twelve months from the end of the reporting period. They were included in the Group's current assets in the condensed consolidated statement of financial position as it is expected that the properties will be realised in the Group's normal operating cycle for properties development.

9. Trade and bill receivables

The Group's trading terms with its customers of the business of development and provision of electronic turnkey device solutions are mainly on credit. The credit terms generally range from 10 days to 90 days. Each customer has a maximum credit limit. For the business of sale of metals, payment in advance is generally required. The Group seeks to maintain strict control over its outstanding receivables in order to minimise credit risk. Overdue balances are reviewed regularly by the senior management. All trade and bill receivables are expected to be recovered or recognised within one year.

The ageing analysis of trade and bill receivables, based on the invoice date, and net of allowance, is as follows:

	As at 30 June 2026 *HK$'000*	As at 31 December 2025 *HK$'000* (Audited)
30 days or less	**28,294**	19,780
31 days to 60 days	**2,677**	3,722
61 days to 90 days	**151**	3,015
91 days to 120 days	**4,742**	2,689
Over 120 days	**1,064**	3,087
	36,928	32,293

The balance of trade and bill receivables included an amount of approximately HK$4,543,000 (31 December 2025: HK$66,000) in relation to bill receivables as at 30 June 2026.

10. Trade payables

The ageing analysis of trade payables, based on the invoice date, is as follows:

	As at 30 June 2026 *HK$'000*	As at 31 December 2025 *HK$'000* (Audited)
30 days or less	**11,114**	19,898
31 days to 60 days	**5,977**	6,314
61 days to 90 days	**4,346**	3,736
91 days to 120 days	**1,690**	2,013
Over 120 days	**7,815**	3,775
	30,942	35,736

INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

BUSINESS OVERVIEW

For the six months ended 30 June 2026, Shuoao International Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") continued to engage in the business of sale of metals and development and provision of electronic turnkey device solutions. At the same time, the Group is continuously engaging in the business of property development in Australia with various possibilities under consideration.

RESULTS OF THE GROUP

For the six months ended 30 June 2026, the Group reported revenue of HK$39,627,000, representing a 49% decrease as compared with the same period in 2025 (30 June 2025: HK$77,209,000), and gross profit of HK$6,930,000, representing a 7% decrease as compared with the same period in 2025 (30 June 2025: HK$7,452,000). The Group reported profit of HK$2,644,000 (30 June 2025: loss of HK$136,000) and other comprehensive income of HK$25,000,000 (30 June 2025: HK$19,116,000), comprising fair value gain on the investment in the ordinary shares (the "**Jinjiang Shares**") of Zheneng Jinjiang Environment Holding Company Limited (浙能錦江環境控股有限公司) ("**Zheneng Jinjiang**") of HK$15,337,000 (30 June 2025: HK$5,748,000) and exchange gain arising from translating foreign operations of HK$9,663,000 (30 June 2025: HK$13,368,000), which led to the result that the Group recorded total comprehensive income of HK$27,644,000 for the six months ended 30 June 2026 (30 June 2025: HK$18,980,000). The profit attributable to owners of the Company for the six months ended 30 June 2026 was HK$1,909,000 (30 June 2025: loss of HK$202,000); whereas basic earnings per share was HK0.11 cent (30 June 2025: loss of HK0.01 cent).

In general, despite the softening market demand and intensified industry competition during the reporting period, the Group's overall revenue experienced a significant decline as compared with the same period last year. Nevertheless, benefiting from the Group's continuous optimisation of product mix and deepened supply chain cost management, the gross profit margin was improved, and as such, the decrease in gross profit was limited to approximately 7%, which was substantially narrower than the decline in revenue. On the other hand, through proactively implementing cost reduction and efficiency enhancement initiatives, streamlining the expense structure, the Group successfully reversed the loss-making position recorded in the corresponding period last year and achieved a turnaround to profitability in net profit.

BUSINESS REVIEW

Sale of Metals

During the reporting period, the Group's metal trading business did not record any segment revenue (30 June 2025: HK$29,576,000), and segment loss of HK$707,000 (30 June 2025: segment profit of HK$1,274,000). The segment loss mainly arose from an unrealised exchange loss on re-translation of bank balances during the reporting period.

Although copper prices remained at historically high levels amid a buoyant non-ferrous metals market in the first half of 2026, industry profits were largely captured by upstream miners and smelters, leaving thin margins for traders. Meanwhile, the global copper trade was reshaped by US tariff expectations, diverting significant volumes to North America and disrupting traditional trade flows to China. Given the heightened price volatility, the Group adopted a prudent stance, actively curtailing trading exposures to preserve capital. The Group will continue to monitor market conditions and prudently explore trading opportunities as they arise, subject to strict risk control.

Development and Provision of Electronic Turnkey Device Solutions

The results of the Group's business of development and provision of electronic turnkey device solutions were mainly driven by the results of a subsidiary in the People's Republic of China (the "**PRC**") which is 50.21% owned by the Group and is principally engaged in the manufacturing and sale of micro controllers for home electrical appliances. As the global economic slowdown dampened end-market demand for electronic products, this segment recorded a decrease in segment revenue during the reporting period to HK$39,627,000 (30 June 2025: HK$47,633,000). Nevertheless, driven by the Group's continuous improvements of product mix, enhancement of production efficiency, and stringent cost control measures, the segment's gross profit margin increased and amounted to HK$1,512,000 (30 June 2025: HK$145,000).

Property Development

Property development in Australia going forward

The Group conducts its business of property development by establishing a property development operation in Australia. For the six months ended 30 June 2026, no segment revenue (30 June 2025: Nil) and segment profit of HK$548,000 (30 June 2025: HK$299,000) were recorded in this segment. The segment profit mainly arose from rental income from existing shop tenants of the Site (as defined below) during the period under review.

As at the date of this announcement, the Planning Proposal (as defined below) of the Site (as defined below) has been approved by the Canterbury Bankstown Council (the "**Council**") and permitted by the Department of Planning and Environment of the New South Wales Government (the "**Department**") to proceed forward. This stage is the pathway to obtain the development consent in relation to the land in Australia acquired by the Group in February 2015 (the "**Site**"). Details of the agreement in relation to the acquisition of the Site and the delay in development are set out in the circular and the announcement of the Company dated 24 January 2015 and 30 November 2015, respectively.

In 2015, the Department issued the draft precinct plans (the "**Draft Plans**") for the region in which the Site is located indicating a willingness to rezone the Site to allow for residential use. After the public consultation conducted in 2016, the Department decided to revise the Draft Plans and the draft Sydenham to Bankstown Corridor Strategy (the "**Corridor Strategy**"), indicating support for a change of zoning allowing residential use.

Due to a prolonged transitional period of government reform caused by the parallel State and Federal election and amalgamation of local councils, the revised Draft Plans and the revised Corridor Strategy were only completed and released for public consultations in July 2017. The final Corridor Strategy was reported and endorsed by the Council in May 2018.

Due to the significant size of the Site and the uniqueness of the employment zoning, the Council will require further preparation of a planning proposal and amendments to the Canterbury Local Environmental Plan 2012 (the "**LEP**") and Canterbury Development Control Plan 2012 prior to any potential development consent being granted, should that consent be for residential use.

The Group has continued proactively advocating for the rezoning of the Site by actively meeting the Council and the Department. In addition, the Group is exploring the possibilities of alternative development strategies and plans that are permitted within the current zoning in order to speed up the approval process with the assistance of various professional parties.

Given the close proximity of the Site to the Canterbury Public Hospital, and the State government's announcement of funding for the rejuvenation of that hospital, the Council and the State government have both indicated support for a healthcare use on the Site, which is permissible within the current zoning and achieves the Council's desire of employment purpose on the Site. The development consent would be expected to be within a 12-month to 18-month time frame after the submission of a development proposal.

In July 2020, after seeking professional advice in Australia, the Group lodged an application to the Council to amend the LEP with a planning proposal for a private hospital (the "**Planning Proposal**"). The Planning Proposal is in line with the Council's preference to retain employment purpose along Canterbury Road, where the Site is located. The amendments mainly proposed a significant increase in the height control for the Site from 12 metres to 45.5 metres (revised), which will allow an overall increase in the floor area of the Site.

In December 2021, the Planning Proposal was reviewed by the Council's Local Planning Panel and was agreed by majority, and be submitted to the Council for approval. In March 2022, the Planning Proposal was presented in the ordinary Council meeting and was permitted to proceed to the Department for further approval.

In June 2022, the Department issued a Gateway Determination to permit (with consent) the Planning Proposal to proceed forward. The Planning Proposal and the amendments to the LEP were approved by the Council. The Group had finalised a voluntary planning agreement (the "**VPA**") with the Council regarding the statutory contributions to be made to the Council in connection with development. In May 2023, the VPA was presented and endorsed in the ordinary Council meeting.

The Group continues proactively in discussions with prospective operators for the healthcare and medical facility. The final planning stage will be a state significant development application, which details the design and operation of the healthcare and medical facility. This stage will commence when a preferred operator is secured.

Once the Group has obtained more information from the prospective preferred operator, the board of directors of the Company (the "**Board**") will conduct further feasibility study on the Site and consider whether the proposal to transform the use of the Site to healthcare and medical facility will be in the best interests of the Company and its shareholders as a whole. As at the date of this announcement, the Board has not yet decided to transform the Site to healthcare and medical facility.

The Company will make further announcement(s) in relation to the updates of the Site as and when appropriate pursuant to the requirements under the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

Investment in the Jinjiang Shares

On 25 July 2016, Sable International Limited, an indirect wholly-owned subsidiary of the Company, applied for the subscription of 21,431,000 ordinary shares of Zheneng Jinjiang at an aggregate subscription price of SGD19,287,900 (equivalent to approximately HK$111,727,000). The quotation of and dealing in the Jinjiang Shares on the Main Board of the Singapore Exchange Securities Trading Limited commenced on 3 August 2016. Details of the subscription are set out in the announcement and the circular of the Company dated 25 July 2016 and 25 October 2016, respectively. As at 30 June 2026, the Group held 1.46% of the total issued ordinary shares of Zheneng Jinjiang (31 December 2025: 1.49%).

The Jinjiang Shares are recorded as financial assets at fair value through other comprehensive income and are measured at fair value at the end of each reporting period. The fair value of the Jinjiang Shares stood at HK$70,999,000 as at 30 June 2026 (31 December 2025: HK$58,283,000), accounting for 16% of the Group's total assets (31 December 2025: 14%). During the period under review, a fair value gain on the investment in the Jinjiang Shares of HK$15,337,000 was recorded under other comprehensive income in the condensed consolidated statement of profit or loss and other comprehensive income of the Group for the six months ended 30 June 2026 (30 June 2025: HK$5,748,000), which were due to (i) an exchange gain resulted from a 0.2% appreciation of Singapore dollars against Hong Kong dollars (30 June 2025: 6% depreciation); and (ii) a 24% increase in the share price of the Jinjiang Shares (30 June 2025: 5%) over the reporting period. The Group received a dividend of HK$4,745,000 from the Jinjiang Shares for the six months ended 30 June 2026 (30 June 2025: $3,000,000).

The Group is optimistic about the prospects of Zheneng Jinjiang, the principal business in the PRC of which includes generation and sales of electricity and steam, operation of waste-to-energy plants and project management, technical consulting and advisory services and energy management contracting business. Having considered the financial performance, business development and prospects of Zheneng Jinjiang, the Group considers that the investment is consistent with the Group's investment objectives and has the potential to deliver stable returns over time. The Group will continue to keep its investment under review in light of market conditions, business performance and the interests of the shareholders of the Company (the "**Shareholders**") as a whole.

Save as disclosed above, the Group did not make any significant investments or acquisitions during the six months ended 30 June 2026.

PROSPECTS

Looking ahead, the landscape of global economy remains challenging, in particular, the impacts of heightened geopolitical tensions and new tariff policies. The Group is continuously strengthening its sales force and exploring the possibilities of commodity diversification. In the meantime, the Group will continue to pursue development of its project in Sydney, Australia to enhance the growth prospect of the Group. The Group will also be more alert to risks and keep abreast of the market dynamics to capture business opportunities favourable to the continual development strategy of the Group, with a view to create greater value for the Group and generate return to the Shareholders.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 June 2026, the Group had current assets of HK$332,207,000 (31 December 2025: HK$319,415,000) comprising bank and cash balances of HK$77,873,000 (31 December 2025: HK$70,989,000), and net current assets of HK$281,954,000 (31 December 2025: HK$265,865,000). The Group's current ratio, calculated based on current assets over current liabilities of HK$50,253,000 (31 December 2025: HK$53,550,000), maintained at a healthy level of 6.6 times (31 December 2025: 6.0 times) as at the end of the period under review.

As at 30 June 2026, the Group's equity attributable to owners of the Company was HK$383,753,000 (31 December 2025: HK$357,081,000).

The Group's gearing ratio represented its total borrowings (including lease liabilities) over the sum of equity attributable to owners of the Company and total borrowings of the Group. As at 30 June 2026, the Group had no bank borrowings (31 December 2025: Nil) while it had lease liabilities of HK$2,285,000 (31 December 2025: HK$3,472,000), which was denominated in Renminbi with fixed interest rate, and the Group's equity attributable to owners of the Company amounted to HK$383,753,000 (31 December 2025: HK$357,081,000). The Group's gearing ratio was therefore maintained at a low level of 0.60% as at 30 June 2026 (31 December 2025: 0.97%).

The Group continues to maintain a prudent approach in managing its financial requirements. In the long run, the Group will continue to finance its operations and future acquisitions, if any, by internal resources and/or external debts and/or by equity financing.

Current ratio and gearing ratio are two financial indicators that the Group focuses on. The Group believes these two measures provide a comprehensive indication of the Group's financial leverage, which have great impact on both the capital structure and stability and performance of the Group.

Changes in Share Capital

During the period under review, there were no changes in the issued share capital of the Company. As at 30 June 2026, the issued share capital of the Company was HK$18,159,107.67 divided into 1,815,910,767 shares of HK$0.01 each.

Foreign Currency Exposures

During the period under review, the monetary assets and liabilities and business transactions of the Group were mainly carried out and conducted in Hong Kong dollars, Renminbi, United States dollars, Australian dollars and Singapore dollars. The Group's exposure to United States dollars is minimal as Hong Kong dollar is pegged to United States dollar, and the exposure to Renminbi was minimised via balancing the Renminbi monetary assets versus the Renminbi monetary liabilities. Nevertheless, financial performance of the Group may be affected by the fluctuation of Australian dollars and Singapore dollars. Furthermore, as the financial statements of the Group are presented in Hong Kong dollars, which is the Company's functional and presentation currency, the Group will be subject to exchange rate fluctuation on translation of Australian dollars, Singapore dollars and Renminbi into Hong Kong dollars. However, the Group anticipates that future currency fluctuations will not cause material operational difficulties or liquidity problems. The Group did not enter into any arrangements for the purpose of hedging against the potential foreign exchange risks during the period under review.

The Group will monitor closely on its foreign currency exposure to ensure appropriate measures, such as hedging, are taken promptly when required.

Contingent Liabilities

The Group had no significant contingent liabilities as at 30 June 2026 (31 December 2025: Nil).

Pledge of Assets

As at 30 June 2026, no assets of the Group were pledged to secure its banking facilities (31 December 2025: Nil).

Capital Commitments

As at 30 June 2026, the Group had no material capital commitments (31 December 2025: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had approximately 124 employees (31 December 2025: approximately 158) including the directors of the Company (the "**Directors**"). Total staff costs for the period under review, including Directors' remuneration, was HK$9,992,000 (30 June 2025: HK$14,246,000). The Group remunerated its employees based on their performance, experience and prevailing market conditions. Benefits plans provided by the Group include provident fund scheme, medical insurance, subsidised training programme and discretionary bonus.

The Group made contributions to the Mandatory Provident Fund Scheme for its employees in Hong Kong. The employees of the Company's subsidiaries established in the PRC are members of central pension schemes operated by the local municipal governments. The employees of the Australian subsidiaries of the Company received a superannuation guarantee contribution as required by the Australian government.

IMPORTANT EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no important events affecting the Group which has occurred since the end of the reporting period.

CORPORATE GOVERNANCE

During the six months ended 30 June 2026, in the opinion of the Board, the Company has complied with all the applicable code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries with all the Directors, all of them confirmed that they had complied with the required standards set out in the Model Code during the six months ended 30 June 2026.

AUDIT COMMITTEE

The interim financial results of the Company for the six months ended 30 June 2026 are unaudited but have been reviewed by the Company's auditor, ZHONGHUI ANDA CPA Limited, and audit committee (the "**Audit Committee**"), and are duly approved by the Board under the recommendation of the Audit Committee.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sales of treasury shares (the "**Treasury Shares**") within the meaning under the Listing Rules). As at 30 June 2026, the Company did not hold any Treasury Shares.

PUBLICATION OF ANNOUNCEMENT OF THE UNAUDITED CONSOLIDATED INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the websites of the Company (www.shuoaointernational.com) and the Stock Exchange (www.hkexnews.hk), respectively. The interim report of the Company for the six months ended 30 June 2026 will be made available to the Shareholders and published on the above websites in due course.

By Order of the Board
Shuoao International Holdings Limited
Feng Luming
馮櫓銘
Chairman

Hong Kong, 24 August 2026

As at the date of this announcement, the Board comprises three Executive Directors, namely Mr. Feng Luming (馮櫓銘先生) (Chairman), Ms. Ji Siyi (季思誼女士) (Chief Executive Officer) and Dr. Jin Xiaozheng (金曉錚博士); and three Independent Non-executive Directors, namely Dr. Chan Wing Mui Helen, Mr. Chiu King Yan and Mr. Wang Cheung Yue.