Great Wall Terroir
長 城 天 下

Great Wall Terroir Holdings Limited
長城天下控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 524)

Interim Report
2 0 2 6

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CORPORATE INFORMATION

BOARD OF DIRECTORS
EXECUTIVE DIRECTORS
Cheung Siu Fai *(Chairman and Acting Chief Executive Officer)*
Hui Chun Wai Henry
Leung Hon Man *(appointed with effect from 1 April 2026)*

INDEPENDENT NON-EXECUTIVE DIRECTORS
Fong Wai Ho
Chow Hiu Tung
Dong Jianmei

COMPANY SECRETARY
Li Chi Pong

AUDITOR
Confucius International CPA Limited
Certified Public Accountants

LEGAL ADVISERS
Conyers Dill & Pearman (as to Bermuda laws)
Tang Tso & Lau Solicitors (as to Hong Kong laws)

PRINCIPAL BANKERS
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE
Richmond House
12 Par-la-Ville Road
Hamilton HM 08
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Room 1903, 19/F.
Lee Garden Three
1 Sunning Road
Causeway Bay, Hong Kong

STOCK CODE
The Stock Exchange of Hong Kong Limited: 524

WEBSITE
www.gwt.hk

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE
Appleby Global Corporate Services (Bermuda) Limited
Canon's Court, 22 Victoria Street
PO Box HM 1179
Hamilton HM EX
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG
Tricor Investor Services Limited
17/F., Far East Finance Centre
16 Harcourt Road
Hong Kong

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

The board (the "**Board**") of directors (the "**Director(s)**") of Great Wall Terroir Holdings Limited (the "**Company**") herein presents the unaudited interim results (the "**Interim Results**") of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Period**"), together with comparative figures for the corresponding period in 2025. The Interim Results are unaudited but have been reviewed by the audit committee (the "**Audit Committee**") of the Company.

		Six months ended 30 June	
		2026	2025
		HK$'000	HK$'000
	Notes	**(Unaudited)**	(Unaudited)
Revenue	*3*		
– Contracts with customers		**46,949**	48,476
– Leases		**672**	672
Total revenue		**47,621**	49,148
Cost of sales		**(44,797)**	(46,215)
Gross profit		**2,824**	2,933
Other income, gains and losses	*4*	**1,206**	2,739
Selling and distribution expenses		**(84)**	(67)
Operation and administrative expenses		**(10,525)**	(10,363)
Loss allowances on trade receivables, net		**(3)**	(93)
Finance costs	*5(a)*	**(2,630)**	(1,635)
Loss before taxation	*5*	**(9,212)**	(6,486)
Income tax expense	*6*	**(114)**	(99)
Loss for the period attributable to owners of the Company		**(9,326)**	(6,585)
		HK cents	HK cents
Loss per share	*8*		
Basic and diluted		**(4.5)**	(3.3)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Loss for the period	**(9,326)**	(6,585)
Other comprehensive income (expense) for the period		
Item that will not be subsequently reclassified to profit or loss:		
Designated fair value through other comprehensive income ("**FVTOCI**")		
– net movement in investment revaluation reserve	**–**	(140)
Item that is or may be subsequently reclassified to profit or loss:		
Exchange differences on translation of foreign subsidiaries	**26**	(128)
Other comprehensive income (expense) for the period	**26**	(268)
Total comprehensive expense for the period attributable to owners of the Company	**(9,300)**	(6,853)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Non-current assets			
Property, plant and equipment		144	189
Right-of-use assets		–	–
Investment properties	9	32,300	32,300
Interest in associates		–	–
Designated FVTOCI		1,681	1,681
Other receivables	10	–	909
		34,125	35,079
Current assets			
Inventories		2	415
Trade and other receivables	10	9,176	18,436
Contract costs		6	59
Financial assets at fair value through profit or loss ("**FVTPL**")		10	10
Pledged bank deposits	11	169	169
Bank balances and cash		19,750	3,302
		29,113	22,391
Current liabilities			
Trade and other payables	12	74,506	74,838
Tax payables		99	–
Borrowing		7,122	7,649
Lease liabilities		2,771	3,475
		84,498	85,962
Net current liabilities		(55,385)	(63,571)
Total assets less current liabilities		(21,260)	(28,492)
Non-current liabilities			
Lease liabilities		–	1,010
Deferred tax liabilities		204	204
		204	1,214
Net liabilities		(21,464)	(29,706)
Capital and reserves			
Share capital	13	23,628	19,693
Reserves		(45,092)	(49,399)
Capital deficiency		(21,464)	(29,706)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company									
		Reserves								
	Share capital HK$'000 (Unaudited)	**Share premium** HK$'000 (Unaudited)	**Exchange reserve** HK$'000 (Unaudited)	**Investment revaluation reserve (Non-recycling)** HK$'000 (Unaudited)	**Capital redemption reserve** HK$'000 (Unaudited)	**Capital reserve** HK$'000 (Unaudited)	**Contributed surplus** HK$'000 (Unaudited)	**Accumulated losses** HK$'000 (Unaudited)	**Total reserves** HK$'000 (Unaudited)	**(Capital deficiency) total equity** HK$'000 (Unaudited)
At 1 January 2026	**19,693**	**360,630**	**711**	**(6,042)**	**25**	**(64)**	**83,489**	**(488,148)**	**(49,399)**	**(29,706)**
Loss for the period	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(9,326)**	**(9,326)**	**(9,326)**
Other comprehensive income for the period *Item that is or may be subsequently reclassified to profit or loss:* Exchange differences on translation of foreign subsidiaries	**–**	**–**	**26**	**–**	**–**	**–**	**–**	**–**	**26**	**26**
Total other comprehensive income for the period	**–**	**–**	**26**	**–**	**–**	**–**	**–**	**–**	**26**	**26**
Total comprehensive income (expense) for the period	**–**	**–**	**26**	**–**	**–**	**–**	**–**	**(9,326)**	**(9,300)**	**(9,300)**
Issue of new shares upon placing, net of expenses	**3,935**	**13,607**	**–**	**–**	**–**	**–**	**–**	**–**	**13,607**	**17,542**
As at 30 June 2026	**23,628**	**374,237**	**737**	**(6,042)**	**25**	**(64)**	**83,489**	**(497,474)**	**(45,092)**	**(21,464)**
At 1 January 2025	19,693	360,630	793	(6,943)	25	(64)	83,489	(456,584)	(18,654)	1,039
Loss for the period	–	–	–	–	–	–	–	(6,585)	(6,585)	(6,585)
Other comprehensive expense for the period *Item that will not be subsequently reclassified to profit or loss:* Fair value loss of designated FVTOCI	–	–	–	(140)	–	–	–	–	(140)	(140)
Item that is or may be subsequently reclassified to profit or loss: Exchange differences on translation of foreign subsidiaries	–	–	(128)	–	–	–	–	–	(128)	(128)
Total other comprehensive expense for the period	–	–	(128)	(140)	–	–	–	–	(268)	(268)
Total comprehensive expense for the period	–	–	(128)	(140)	–	–	–	(6,585)	(6,853)	(6,853)
As at 30 June 2025	19,693	360,630	665	(7,083)	25	(64)	83,489	(463,169)	(25,507)	(5,814)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(7,698)**	(7,555)
Investing activities		
Proceeds from disposal of property, plant and equipment	**7**	1
Increase in pledged bank deposits	**–**	(1)
Net cash generated from investing activities	**7**	–
Financing activities		
Loans from a director raised	**11,400**	9,900
Proceeds from issue of new shares upon placing, net of expenses	**17,542**	–
Repayment of bank loan	**(527)**	(507)
Repayment of lease liabilities	**(1,714)**	(1,605)
Interest paid	**(2,589)**	(1,618)
Net cash generated from financing activities	**24,112**	6,170
Net increase (decrease) in cash and cash equivalents	**16,421**	(1,385)
Cash and cash equivalents as at 1 January	**3,302**	5,848
Effect on exchange rate changes on cash and cash equivalents	**27**	81
Cash and cash equivalents as at 30 June, represented by bank balances and cash	**19,750**	4,544

1. GENERAL INFORMATION

Great Wall Terroir Holdings Limited is incorporated in Bermuda as an exempted company with limited liability and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The address of the registered office has been changed from Clarendon House, 2 Church Street, Hamilton HM11, Bermuda to Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda since 3 August 2026 and the address of its principal place of business in Hong Kong is Room 1903, 19/F., Lee Garden Three, 1 Sunning Road, Causeway Bay, Hong Kong. Its immediate and ultimate holding company is Beta Dynamic Limited which is incorporated in the British Virgin Islands. Its ultimate controlling shareholder is Mr. Cheung Siu Fai, who is also the chairman and an executive director of the Company. The principal activity of the Company is investment holding.

The condensed consolidated interim financial statements (the "**Interim Financial Statements**") are unaudited, but have been reviewed by the Audit Committee.

The Interim Financial Statements are presented in Hong Kong dollars ("**HK$**"), which is also the functional currency of the Company. In addition, the functional currencies of certain group entities that operate outside Hong Kong are determined based on the currency of the primary economic environment in which the group entities operate.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Interim Financial Statements of the Group for the Period are unaudited and have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS(s)**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and applicable disclosure requirements under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The Interim Financial Statements should be read in conjunction with the 2025 annual financial statements. The accounting policies adopted in preparing the Interim Financial Statements for the Period are consistent with those in the preparation of the Group's annual financial statements for the year ended 31 December 2025.

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2026 for the preparation of the Group's Interim Financial Statements:

Amendments to Hong Kong Financial Reporting Standard ("**HKFRS**") 7 and HKFRS 9	Amendment to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 7 and HKFRS 9	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The application of amendments to HKFRS Accounting Standards in the current period had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in the Interim Financial Statements.

Going concern

The Group incurred a net loss attributable to owners of the Company of approximately HK$9,326,000 for the Period, and as at 30 June 2026, the Group had net current liabilities and net liabilities of approximately HK$55,385,000 and HK$21,464,000 respectively.

The above conditions indicate the existence of material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES *(continued)*

Going concern *(continued)*

The condensed consolidated financial statements have been prepared on the assumptions that the Group will continue to operate as a going concern notwithstanding the conditions prevailing as at 30 June 2026 and subsequently thereto up to the date when the condensed consolidated financial statements are authorised for issue. In order to mitigate the liquidity pressure, to improve its financial position, and to sustain the Group as a going concern, certain plans and measures have been and will be taken by the Group which include, but are not limited to, the following:

(a) A shareholder of the Company have granted a loan facility to the Group and undertaken to provide adequate funds to enable the Group to meet its liabilities and to pay financial obligations to third parties as and when they fall due so that the Group can continue as a going concern and carry on its business without significant curtailment of operations for the twelve months from the date of this report;

(b) The Directors of the Company will strengthen and implement measures aiming at improving the working capital and cash flows of the Group, including closely monitoring the general administrative expenses and operating cost; and

(c) The Group will seek to obtain additional new financial support including but not limited to borrowing loans, issuing additional equity or debt securities.

The Directors have carried out a detailed review of the Group's cash flow projections prepared by management. The cash flow projections cover a period of not less than twelve months from the date of this report. On the basis of the successful implementation of the plans and measures described above in the foreseeable future, after assessing the Group's current and forecasted cash positions, the Directors of the Company are of the opinion that the Group will have adequate funds to finance its operations and to meet its liabilities as and when they fall due for at least twelve months from the date of this report. Accordingly, the directors of the Company consider that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

3. REVENUE AND SEGMENTAL INFORMATION

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Income from telecommunication services	**32,043**	38,298
Income from information technology business ("**IT Business**")	**14,906**	10,178
	46,949	48,476
Revenue from leases		
Lease payments that are fixed under operating lease	**672**	672
	47,621	49,148

The revenue from contracts with customers within HKFRS 15 is disaggregated as follows:

	Telecommunication services		IT Business		Total	
	2026	2025	**2026**	2025	**2026**	2025
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Six months ended 30 June	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Timing of revenue recognition:						
– at a point in time	**30,003**	35,594	**404**	421	**30,407**	36,015
– over time	**2,040**	2,704	**14,502**	9,757	**16,542**	12,461
	32,043	38,298	**14,906**	10,178	**46,949**	48,476

The Group's management, who are the chief operating decision-makers, determine the operating segments for the purposes of resource allocation and performance assessment. The business segments of the Group comprise telecommunication services, IT Business and property investment.

Segment results represent the results before taxation earned by each segment without allocation of central operating and administrative expenses. All assets are allocated to reportable segments other than unallocated assets which are mainly designated FVTOCI and financial assets at FVTPL. All liabilities are allocated to reportable segments other than corporate liabilities.

Analyses of the Group's segmental information by business and geographical segments during the six months ended 30 June 2026 and 2025 are set out below.

3. REVENUE AND SEGMENTAL INFORMATION *(continued)*

(a) By business segments

Segment results

	Telecommunication services		IT Business		Property investment		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Six months ended 30 June	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Revenue								
External sales	**32,043**	38,298	**14,906**	10,178	**672**	672	**47,621**	49,148
Results								
Segment results	**(1,435)**	(1,334)	**(49)**	(450)	**664**	665	**(820)**	(1,119)
Unallocated other operating income and expenses							**(8,392)**	(5,367)
Loss before taxation							**(9,212)**	(6,486)

Segment assets and liabilities

	Telecommunication services		IT Business		Property investment		Total	
	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	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)
Assets								
Segment assets	**4,420**	14,070	**7,012**	6,699	**32,339**	32,396	**43,771**	53,165
Unallocated assets							**19,467**	4,305
Consolidated total assets							**63,238**	57,470
Liabilities								
Segment liabilities	**(4,085)**	(14,885)	**(5,108)**	(5,056)	**(699)**	(600)	**(9,892)**	(20,541)
Unallocated liabilities							**(74,810)**	(66,635)
Consolidated total liabilities							**(84,702)**	(87,176)

3. REVENUE AND SEGMENTAL INFORMATION *(continued)*

(b) By geographical information

The Group's operations are principally located in Hong Kong, Singapore and the People's Republic of China (the "**PRC**"). The following table provides an analysis of the Group's revenue from external customers by geographical region in which the operations are located:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Geographical region:		
– Hong Kong	**18,471**	8,482
– Singapore	**14,708**	24,991
– PRC	**14,442**	15,675
	47,621	49,148

The following is an analysis of the carrying amounts of non-current assets (excluding financial instruments) by geographical area in which the assets are located:

	As at	As at
	30 June	31 December
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Audited)
Hong Kong	**32,444**	33,398

4. OTHER INCOME, GAINS AND LOSSES

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Interest income from bank	**1**	2
Government subsidy	**16**	27
(Loss) gain on disposal of property, plant and equipment	**(1)**	1
Gain on early termination of lease arrangement	**–**	794
Sundry income	**50**	29
Write-back of trade payables	**316**	–
Write-back of other payables	**824**	1,886
	1,206	2,739

5. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging (crediting) the following:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
(a) Finance costs		
Interest expenses on lease liabilities	**93**	154
Interest expenses on loans from a director	**2,435**	1,354
Interest expenses on borrowing	**102**	127
	2,630	1,635
(b) Other items		
Employee salaries and other benefits (including directors' emoluments)	**6,640**	6,200
Retirement benefit scheme contributions	**456**	445
Total staff costs	**7,096**	6,645
Gross rental income from investment properties	**(672)**	(672)
Less: direct operating expenses incurred for investment properties that generated rental income	**1**	1
	(671)	(671)
Cost of services (included in cost of sales)	**44,376**	45,790
Cost of inventory sold (included in cost of sales)	**421**	425
Depreciation of:		
– property, plant and equipment	**37**	45
– right-of-use assets	**–**	215
Lease expenses on short-term leases	**216**	308

6. TAXATION

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Current tax:		
Hong Kong Profits Tax		
Current period	**(99)**	(99)
PRC Enterprise Income Tax		
Current period	**(15)**	–
Total income tax expense	**(114)**	(99)

6. TAXATION *(continued)*

Hong Kong Profits Tax is calculated at 16.5% (30 June 2025: 16.5%) on the estimated assessable profit for the Period.

The Company's wholly-owned subsidiary in Singapore is subject to Corporate Income Tax at a rate of 17% (30 June 2025: 17%) for the Period.

The Company's wholly-owned subsidiary in the PRC is subject to PRC Enterprise Income Tax ("**EIT**") statutory rate of 25% (30 June 2025: 25%) for the Period. During the Period, the subsidiary was qualified as Small and Low-profit Enterprise and entitled a preferential income tax rate of 5% according to the PRC EIT Law and its relevant regulations.

7. INTERIM DIVIDEND

The Board does not recommend the payment of a dividend for the six months ended 30 June 2026 and 2025.

8. LOSS PER SHARE

The calculation of loss per share for the Period is based on the loss attributable to owners of the Company of approximately HK$9,326,000 (30 June 2025: approximately HK$6,585,000) and the weighted average number of approximately 205,841,000 (30 June 2025: the number of shares of approximately 196,928,000) ordinary shares in issue during the Period.

The Company has no dilutive potential ordinary shares in issue during the current and prior periods and, therefore, the diluted loss per share is the same as the basic loss per share for the periods presented.

9. INVESTMENT PROPERTIES

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Fair value		
Balance at beginning of the period/year	**32,300**	44,400
Net decrease in fair value recognised in profit or loss	**–**	(12,100)
Balance at end of the period/year	**32,300**	32,300

The fair value of the Group's investment properties as at 30 June 2026 was determined by the Directors of the Company based on the direct comparison approach. The fair value of the Group's investment properties as at 31 December 2025 has been arrived at on the basis of a valuation on the direct comparison approach carried out on that date by Messrs. Ravia Global Appraisal Advisory Limited, independent qualified professional valuer not connected to the Group.

The direct comparison approach uses prices and other relevant information generated by market transactions involving comparable properties. No change in fair value of investment properties has been recognised in profit or loss for the Period (30 June 2025: nil).

The Group's investment properties are classified as Level 3 in the fair value hierarchy as at 30 June 2026 and 31 December 2025. There were no transfers into or out of Level 3 during the Period.

10. TRADE AND OTHER RECEIVABLES

	Notes	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Trade receivables			
Trade receivables from contracts with customers		7,305	17,865
Loss allowances on trade receivables		(519)	(886)
	(a)	6,786	16,979
Other receivables			
Deposits		1,339	1,316
Prepayments		816	782
Other debtors	*(b)*	4,749	4,734
Deferred lease receivables		24	72
		6,928	6,904
Loss allowances on other receivables		(4,538)	(4,538)
		2,390	2,366
Total trade and other receivables		9,176	19,345
Analysed for reporting purpose as:			
Current assets		9,176	18,436
Non-current assets		–	909
		9,176	19,345

Notes:

(a) *The Group's credit terms on sales mainly ranged from 30 to 90 days. Included in trade and other receivables are trade receivables (net of loss allowances) with the following ageing analysis by transaction date:*

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Less than 1 month	3,354	13,659
1 to 3 months	2,756	2,625
More than 3 months but less than 12 months	434	469
More than 12 months	242	226
	6,786	16,979

(b) *Included in other debtors as at 30 June 2026 was a receivable of approximately HK$4,304,000 (31 December 2025: approximately HK$4,304,000) due from a third party which was arising from the proceeds from the disposal of financial assets at FVTPL in 2017. Full loss allowance has been provided in previous years.*

11. PLEDGED BANK DEPOSITS

As at 30 June 2026, the Group had pledged bank deposits amounting to approximately HK$169,000 (31 December 2025: approximately HK$169,000). At the end of the reporting period, bank guarantees of approximately HK$162,000 (31 December 2025: approximately HK$162,000) were issued to suppliers for operational requirements. The Directors do not consider it is probable that a claim will be made against the Group under these guarantees. The amounts utilised by the Group at the end of the reporting period under these guarantees were approximately HK$162,000 (31 December 2025: approximately HK$162,000), representing the outstanding amounts payable to these suppliers.

12. TRADE AND OTHER PAYABLES

	Notes	**As at 30 June 2026 HK$'000 (Unaudited)**	As at 31 December 2025 HK$'000 (Audited)
Trade payables	*(a)*	**6,666**	7,171
Other payables			
Accrued charges and other creditors		**5,071**	16,222
Contract liabilities		**464**	440
Deposit received		**395**	495
Loans from a director	*(b)*	**56,200**	44,800
Loans from former directors	*(c)*	**5,710**	5,710
		67,840	67,667
Total trade and other payables		**74,506**	74,838

Notes:

(a) *Ageing analysis of trade payables by transaction date is summarised as follows:*

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Less than 1 month	**2,503**	2,736
1 to 3 months	**2,591**	2,732
More than 3 months but less than 12 months	**523**	275
More than 12 months	**1,049**	1,428
	6,666	7,171

12. TRADE AND OTHER PAYABLES *(continued)*

Notes: (continued)

(b) *As at 30 June 2026, the Group has outstanding loans from a director Mr. Cheung Siu Fai ("**Mr. Cheung**") of HK$56,200,000 (31 December 2025: HK$44,800,000) of which loans are unsecured, unguaranteed, interest bearing at the rate of 9.8% per annum and repayable on demand.*

(c) *As at 30 June 2026 and 31 December 2025, the Group has outstanding loans from former directors Mr. Zhao Ruiyong of approximately HK$2,378,000 and Mr. Cheung Ka Heng Frankie of approximately HK$3,332,000, both of which loans are unsecured, unguaranteed, interest-free and repayable on demand.*

13. SHARE CAPITAL

	Number of shares	Amount HK$'000
Ordinary shares of HK$0.1 each		
Authorised:		
Balance as at 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	1,200,000,000	120,000
Issued and fully paid:		
Balance as at 1 January 2025, 31 December 2025 and 1 January 2026	196,927,500	19,693
Issue of new shares upon placing *(Note (a))*	39,350,000	3,935
Balance as at 30 June 2026	**236,277,500**	**23,628**

Note:

(a) *On 21 May 2026, the Company has successfully placed a total of 39,350,000 new shares under general mandate to not less than six independent placees at the placing price of HK$0.470 per placing share (the "**Placing**"). The net proceeds from the Placing amounted to approximately HK$17,542,000. Details of which are set out in the Company's announcements dated 24 April 2026, 30 April 2026 and 21 May 2026.*

14. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in the Interim Financial Statements, during the six months ended 30 June 2026 and 2025, the Group had the following transactions with a related party:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Nature of transactions		
Interest expenses on loans from a director	**2,435**	1,354

(b) Details of the balance with related party as 30 June 2026 and 31 December 2025 are set out in note 12(b) to the Interim Financial Statements.

15. FAIR VALUE MEASUREMENTS

The following presents the Group's financial instruments measured at fair value at the end of the reporting period across the three levels of the fair value hierarchy as defined in HKFRS 13 Fair Value Measurement, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 (lowest level): unobservable inputs for the asset or liability.

(a) Assets measured at fair value

	Level 1 HK$'000 (Unaudited)	Level 2 HK$'000 (Unaudited)	Level 3 HK$'000 (Unaudited)	Total HK$'000 (Unaudited)
As at 30 June 2026				
Designated FVTOCI				
Unlisted equity securities	**–**	**–**	**1,681**	**1,681**
Financial assets at FVTPL				
Equity investments listed in Hong Kong	**10**	**–**	**–**	**10**
	10	**–**	**1,681**	**1,691**

	Level 1 HK$'000 (Audited)	Level 2 HK$'000 (Audited)	Level 3 HK$'000 (Audited)	Total HK$'000 (Audited)
As at 31 December 2025				
Designated FVTOCI				
Unlisted equity securities	–	–	1,681	1,681
Financial assets at FVTPL				
Equity investments listed in Hong Kong	10	–	–	10
	10	–	1,681	1,691

During the Period and the year ended 31 December 2025, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

15. FAIR VALUE MEASUREMENTS *(continued)*

(a) Assets measured at fair value *(continued)*

Description	Fair value at 30 June 2026 HK$'000 (Unaudited)	Fair value at 31 December 2025 HK$'000 (Audited)	Fair value hierarchy	Valuation techniques
Assets				
Financial assets at FVTPL				
– Equity investment listed in Hong Kong	**10**	10	Level 1	Quoted bid prices in an active market
– Unlisted equity securities	**1,681**	1,681	Level 3	Adjusted net asset values as reported by management of investee companies

(b) Financial assets and liabilities carried at amortised cost

The carrying amounts of the financial assets and liabilities of the Group that are carried at amortised cost are not materially different from their fair values as at 30 June 2026 and 31 December 2025.

BUSINESS REVIEW AND OUTLOOK

OVERVIEW

During the first half of 2026, the global economy demonstrated strong resilience against major headwinds, driven primarily by the Middle Eastern conflicts affecting energy supplies and meltdown of maritime cargo supply chains. While many Asian economies bore the most direct impact, integrated global energy markets, interconnected supply chains and conservative market sentiment ensured widespread ripple effects. Consequently, this volatile operating environment directly shaped the Group's business performance throughout the Period.

In Hong Kong, the Group realised its long-established telecom industry network strengths and geared towards businesses with carriers. Revenue from Hong Kong for the Period significantly increased by approximately 117.6% to approximately HK$18.5 million, from approximately HK$8.5 million in the preceding period.

In Singapore, the Group experienced shifts of economic focus and business pressures that reshape the landscape in the local retail telecommunications service market. Consequently, revenue from Singapore for the Period decreased by approximately 41.2% to approximately HK$14.7 million, from approximately HK$25.0 million in the preceding period.

In the PRC, driven by the evolution toward intelligent and high-precision mobility ecosystems and next generation navigation satellite systems, the demand of conventional global positioning system ("**GPS**") equipment is losing market popularity. Revenue from the PRC for the Period decreased by approximately 8.3% to approximately HK$14.4 million, from approximately HK$15.7 million in the preceding period because of the decrease in orders for the GPS business.

Against the above backdrop, the Group's overall revenue for the Period decreased by approximately 3.1% to approximately HK$47.6 million, from approximately HK$49.1 million for the preceding period. The loss attributable to owners of the Company for the Period increased by approximately 40.9% to approximately HK$9.3 million, from approximately HK$6.6 million for the preceding period.

TELECOM BUSINESS

Revenue recorded from the telecom business, which comprised the telecommunication and related information technology businesses in Hong Kong, Singapore and the PRC (the "**Telecom Business**"), amounted to approximately HK$32.0 million for the Period, representing a decrease of approximately 16.4% as compared to approximately HK$38.3 million for the preceding period, which is mainly attributable to the decrease in revenue from the GPS business in the PRC as well as a decrease in the revenue generated from Singapore's operation which is compensated by the increase in revenue contribution from the wholesale voice business segment in Hong Kong. Owing to the diminishing demand of the GPS business in the PRC, the Group has been shifting its focus away from the GPS business since the first quarter of 2026. The revenue from the retail telecommunication service segment in Hong Kong and Singapore continues to be under keen competition dominated by local incumbents and the growing popularity of alternative communication channels, leading to a decrease in revenue from retail telecommunication service in both Hong Kong and Singapore. The Group has been deploying resources in building its wholesale voice business segment, leveraging its deep history and network in the telecom market in Hong Kong, and has experienced growth in revenue during the Period.

IT BUSINESS

Revenue recorded from the IT Business in Hong Kong and the PRC, which comprised the IT services and e-Commerce business, amounted to approximately HK$14.9 million for the Period, representing an increase of approximately HK$4.7 million compared to approximately HK$10.2 million for the preceding period. The increase in revenue from the IT Business was primarily driven by the IT service segment in the PRC, which was caused by a higher demand for upgrading and enhancing existing application systems during the Period.

The adoption of software application system is essential for corporations seeking to optimise operation cost and manage data with greater efficiency and effectiveness. Manual tasks are increasingly being replaced by system automation and artificial intelligence ("**AI**") to minimise errors and reduce need of human intervention in routine workflows. The integration of AI into current software systems, such as AI voice recognition and transcription functionalities for customer support hotlines that automatically identify users and analyse dialogue in order to offer appropriate responses, create significant and sustainable cost savings to corporations. To capture these opportunities, the Group expanded its capacity for provision of software development and enhancement services, including but not limited to AI integration and application, innovation of software application platforms and other advanced technology software on data analysis and enhancement of productivity, workflow automation and data processing based on big data, machine learning and cloud computing in the PRC during the Period.

INVESTMENT PROPERTIES

The rental income from a property acquired by the Group in September 2021 (the "**Property**") was approximately HK$0.7 million for both the Period and the preceding period. The Property, located at Units Nos. 4 and 6 on 11th Floor of Block A, Sea View Estate, No. 2 Watson Road, Hong Kong, is an industrial property with a gross area of approximately 5,430 square feet. It is held under a medium-term lease and an unencumbered property. The Property is held for investment purpose and has been leased on operating leases.

The fair value of the Property, which was determined by the Directors with reference to recent transaction prices of similar properties in the market, amounted to approximately HK$32.3 million as at 30 June 2026. There was no change in the fair value of the Property for the Period as compared to the fair value of the Property as at 31 December 2025, which was also valued at HK$32.3 million by an independent qualified professional valuer. The Property is expected to generate stable income in the future and the Group may also benefit from any long-term capital appreciation of the Property.

OUTLOOK

The Organisation for Economic Cooperation and Development projects that global GDP growth will decline from 3.4% in 2025 to 2.8% in 2026. The current global economic outlook is shaped by two competing forces, a negative supply shock driven by conflict in the Middle East and a positive technology shock propelled by accelerated momentum in the global technology cycle. While robust performance in the technology sector is mitigating the impact of severe energy disruptions, the broader economic landscape continues to experience decelerated growth alongside persistent inflationary pressures.

Under these economic environment, the Group will remain vigilant and disciplined in its business decisions and adopt prudent strategies in its efforts to improve the Group's operating performance and enhance shareholder value. This will be achieved through instituting targeted measures to enhance operational efficiency, and aligning our cost structure and capital investments with our projected business growth.

The Group is in the course of reviewing its organisation and resource allocation across different business segments in the Telecom Business so as to generate better contributions in a more efficient manner without requirement of significant capital investments. The Group will continue to build and leverage on our longstanding networks and relationships in order to maintain and develop sustainable revenue streams.

Regarding the IT Business, the Group believes that the re-evaluation on the existing IT Business segment is necessary and persistent to address shifts in the future's business environment. The Group will continue to deploy resources to research and development on the potential business opportunities in consideration of technology innovation. Leveraging on its experience in provision of IT solutions services and software customisation, the Group will from time to time review customer feedback and potential return on its capital and human resources investments in our IT Business, and make adjustments in our strategy and development plans with reference to the market conditions and our market position, while actively looking for new business opportunities to enhance its business diversification and deliver improved returns for shareholders of the Company.

REVENUE AND RESULTS

The revenue of the Group for the Period decreased by approximately 3.1% to approximately HK$47.6 million, from approximately HK$49.1 million for the preceding period. The revenue from the Telecom Business for the Period decreased by approximately 16.4% to approximately HK$32.0 million, from approximately HK$38.3 million for the preceding period. The decrease in revenue from the Telecom Business was mainly due to a decrease in revenue from the GPS business during the Period. The revenue from the IT Business for the Period increased by approximately HK$4.7 million to approximately HK$14.9 million, from approximately HK$10.2 million for the preceding period, mainly due to increase in the revenue from software development and enhancement services in the PRC during the Period. The rental income from the Property for both the Period and the preceding period remained unchanged at approximately HK$0.7 million.

The gross profit of the Group for the Period decreased by approximately 3.4% to approximately HK$2.8 million, from approximately HK$2.9 million for the preceding period. The overall gross profit margin of the Group for the Period remains relatively stable at approximately 5.9% compared to approximately 6.0% for the preceding period. The slight decrease in gross profit and gross profit margin of the Group during the Period were mainly due to the decrease in revenue and lower gross profit margin on wholesale voice business segment as compared to the preceding period.

Other income, gains and losses of the Group for the Period decreased by approximately HK$1.5 million to approximately HK$1.2 million, from approximately HK$2.7 million for the preceding period. The significant decrease was mainly due to the combined effect of (i) the decrease in the recognition of other income of approximately HK$1.1 million in respect of write-back of provision of staff costs and professional fee during the period from January 2020 to June 2020, (ii) no recognition of gain on early termination of lease arrangement during the Period while there was recognition of approximately HK$0.8 million in the preceding period, and (iii) the recognition of write-back of trade payables of approximately HK$0.3 million during the Period while there was no such other income in the preceding period.

Selling and distribution expenses of the Group for both the Period and the preceding period remained unchanged at approximately HK$0.1 million.

Operation and administrative expenses of the Group for the Period remains relatively stable at approximately HK$10.5 million compared to approximately HK$10.4 million for the preceding period.

Finance costs of the Group for the Period increased by approximately HK$1.0 million to approximately HK$2.6 million, from approximately HK$1.6 million for the preceding period. The increase was mainly due to the increase in the average balance of loans from a Director during the Period.

As a result of the foregoing, the loss attributable to owners of the Company for the Period increased by approximately 40.9% to approximately HK$9.3 million, from approximately HK$6.6 million for the preceding period.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCING

As at 30 June 2026, the net liabilities of the Group amounted to approximately HK$21.5 million (31 December 2025: approximately HK$29.7 million). The decrease in net liabilities was due to the net effect of (i) the cash inflow from the Placing of new shares of approximately HK$17.54 million and (ii) the Group's operating loss for the Period.

Details of the Placing are set out in the section headed "Placing of 39,350,000 New Shares in May 2026" on page 26 of this report.

As at 30 June 2026, the bank balances and cash (excluding pledged bank deposits) of the Group amounted to approximately HK$19.8 million (31 December 2025: approximately HK$3.3 million). The increase was mainly due to the net effect of (i) the cash inflow from the Placing of new shares of approximately HK$17.54 million, (ii) the cash inflow from the loans from a Director of $11.4 million, (iii) the cash outflow of repayment of lease liabilities and loan interest of approximately HK$4.3 million and (iv) net cash used in operating activities of approximately HK$7.7 million.

As at 30 June 2026, the pledged bank deposits of the Group amounted to approximately HK$0.2 million (31 December 2025: approximately HK$0.2 million). Bank guarantees of approximately HK$0.2 million as at 30 June 2026 (31 December 2025: approximately HK$0.2 million) were issued to suppliers for operational requirements.

As at 30 June 2026, the loans from two former Directors amounted to approximately HK$5.7 million (31 December 2025: approximately HK$5.7 million) and the loans from a Director amounted to HK$56.2 million (31 December 2025: HK$44.8 million). The loans from two former Directors are unsecured, unguaranteed and interest-free. The loans from a Director are unsecured, unguaranteed and interest bearing at 9.8% per annum.

As at 30 June 2026, the bank loan amounted to approximately HK$7.1 million (31 December 2025: approximately HK$7.6 million).

As at 30 June 2026 and 31 December 2025, the Group's gearing ratio was not available as the Group recorded capital deficiency position.

As at 30 June 2026, the lease liabilities of the Group amounted to approximately HK$2.8 million (31 December 2025: approximately HK$4.5 million). The decrease was mainly due to the repayment of lease liabilities for the Period.

FOREIGN EXCHANGE EXPOSURE

The Group has certain assets, liabilities, and transactions which are denominated in Singapore dollars and Renminbi. The Group continues to closely monitor the exchange rates of both Singapore dollar and Renminbi and will, when appropriate, take appropriate action to mitigate such exchange risks. As at 30 June 2026, no related currency hedges had been undertaken by the Group.

CAPITAL COMMITMENTS

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

CONTINGENT LIABILITIES

As at 30 June 2026, the Group had no material contingent liabilities (31 December 2025: nil).

MATERIAL ACQUISITIONS AND DISPOSAL

There were no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Period.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests and short positions of the Directors and the chief executives 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**") as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules were as follows:

Interests in shares, underlying shares and debentures of the Company

Name of Director	Capacity	Number of Shares# interested	Approximate percentage of shareholding
Mr. Cheung	Interest of a controlled corporation	78,789,342 *(Note 1)*	33.35% *(Note 2)*

"Shares" means ordinary shares of HK$0.10 each in the share capital of the Company.

Notes:

1. *The 78,789,342 Shares are beneficially owned by Beta Dynamic Limited ("**Beta Dynamic**") which is wholly and beneficially owned by Mr. Cheung. Mr. Cheung is also the sole director of Beta Dynamic. Besides, the 78,789,342 Shares are subject to a share charge dated 27 March 2026 (the "**Share Charge**") in favour of First Seafront Holding Limited ("**First Seafront Holding**"). Despite the Share Charge, the power to exercise the voting rights of the 78,789,342 Shares remain under the control of Beta Dynamic. As advised by Mr. Cheung, the Share Charge is a collateral to a loan agreement dated 27 March 2026 entered into between Beta Dynamic and First Seafront Holding in relation to a loan granted by First Seafront Holding to Beta Dynamic.*

2. *The percentage of shareholding was calculated based on 236,277,500 Shares, being the total issued share capital of the Company as at 30 June 2026.*

All interests disclosed above represent long positions in the shares of the Company and there were no underlying shares or debentures of the Company held by the Directors or the chief executives of the Company as at 30 June 2026.

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, the interests and short positions of the persons, other than the Directors or the chief executives of the Company, in the shares and underlying shares of the Company as required to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of shareholder	Capacity	Number of Shares# interested	Approximate percentage of shareholding *(Note 2 above)*
Beta Dynamic	Beneficial owner	78,789,342 *(Note 1 above)*	33.35%
Mr. Cheung	Interest of a controlled corporation	78,789,342 *(Note 1 above)*	33.35%
First Seafront Holding	Beneficial owner	9,800,000 *(Note 3 below)*	4.15%
	Interest of a controlled corporation	37,200,000 *(Note 3 below)*	15.74%
	Person having a security interest in shares	78,789,342 *(Note 1 above)*	33.35%

\# *"Shares" means ordinary shares of HK$0.10 each in the share capital of the Company.*

Note:

3. *As advised by First Seafront Holding, First Seafront GAF SPC – SEHK Blue Chip III SP ("**First Seafront GAF**") and First Seafront Fund Series SPC – First Seafront Special Opportunity Fund SP ("**First Seafront SOF**"), both of which are segregated portfolio funds managed by First Seafront Asset Management Limited ("**First Seafront AM**") as the investment manager. First Seafront AM is ultimately owned by First Seafront Holding. No ultimate beneficial owner holds 30% or more interest in First Seafront Holding. By virtue of the SFO, First Seafront Holding is deemed to be interested in all the Shares held by First Seafront GAF and First Seafront SOF. First Seafront Holding owned 9,800,000 Shares as beneficial owner. First Seafront GAF and First Seafront SOF each owned 33,300,000 Shares and 3,900,000 Shares respectively. Therefore, by virtue of the SFO, First Seafront Holding is deemed to be interested in 47,000,000 Shares.*

All interests disclosed above represent long positions in the shares of the Company.

Save as disclosed above, as at 30 June 2026, no other person, other than the Directors or the chief executives of the Company, had any interests or short positions in the shares and underlying shares of the Company as required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept under section 336 of the SFO or as otherwise notified to the Company.

PLACING OF 39,350,000 NEW SHARES IN MAY 2026

The Placing was conducted with a view to, inter alia, broadening the shareholders base and capital base of the Company and raising capital for the Group's working capital requirements. On 21 May 2026, the Company announced the completion of the Placing with a total of 39,350,000 new shares under general mandate at HK$0.47 per placing share. The placing price of HK$0.47 per placing share represents a discount of approximately 14.55% to the closing price of HK$0.55 per share as quoted on the Stock Exchange on the date of the placing agreement and a discount of approximately 19.52% to the average closing price of HK$0.584 per share in the last five trading days immediately prior to the date of the placing agreement. Details of the Placing are set out in the Company's announcements dated 24 April 2026, 30 April 2026 and 21 May 2026 respectively.

Upon completion of the Placing on 21 May 2026, the Company received net cash proceeds, after deducting relevant costs and expenses incidental to the Placing, of approximately HK$17.54 million (the "**Net Proceeds**"). The Net Proceeds per placing share is approximately HK$0.446.

As disclosed in the Company's announcement dated 24 April 2026, 30 April 2026 and 21 May 2026 respectively, the followings are the utilisations of the Net Proceeds from the Placing since its completion on 21 May 2026 up to 30 June 2026:

	Planned use of Net Proceeds HK$'million	Utilised balance as at 30 June 2026 HK$'million	Unutilised balance as at 30 June 2026 HK$'million
Intended use			
General working capital, including salaries and rental expenses, professional fees, repayment of debts and operating and other administrative expenses	17.54	4.73	12.81

* *The remaining unutilised balance of the Net Proceeds is expected to be fully utilised by October 2027.*

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**Share Option Scheme**") on 28 June 2018 which is valid and effective for a period of 10 years until 27 June 2028. The scheme mandate limit of the Share Option Scheme has been refreshed upon the shareholders' approval at the annual general meeting of the Company held on 31 May 2022, which allowed the Company to grant up to 157,542,000 share options pursuant to the Share Option Scheme, details of which were disclosed in the Company's circular dated 27 April 2022 and announcement dated 31 May 2022. Upon the share consolidation becoming effective on 9 June 2023, where every ten (10) issued and unissued then existing shares of the Company were consolidated into one (1) consolidated share, the maximum number of share options which can be granted under the Share Option Scheme amounts to 15,754,200. Upon the completion of the Placing on 21 May 2026 and as at the date of this report, the total number of the issued share capital of the Company is 236,277,500 (31 December 2025: 196,927,500), and the maximum number of share options that can be granted under the Share Option Scheme amounts to 15,754,200, representing approximately 6.67% of the issued share capital of the Company as at the date of this report. A summary of the principal terms of the Share Option Scheme was set out in the circular of the Company dated 28 May 2018.

During the Period, no share option was outstanding or had been granted or agreed to be granted under the Share Option Scheme. No options were ever granted under the Share Option Scheme.

At 30 June 2026, the total number of share options that can be granted under the Share Option Scheme was 15,754,200 (31 December 2025: 15,754,200), which represented approximately 6.67% (31 December 2025: approximately 8%) of the issued share capital of the Company at such dates.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board is committed to maintaining high standards of corporate governance in performing its obligations to act in the best interests of shareholders and enhance long-term shareholder value. Except for the non-compliance and deviations described below, the Directors are not aware of any information which would reasonably indicate that the Company is not, or was not at any time during the Period, acting in compliance with the code provisions (the "**Code Provision(s)**") of the Corporate Governance Code (the "**Corporate Governance Code**") set out in Appendix C1 to the Listing Rules.

Under Code Provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. No chief executive officer was appointed by the Company upon the resignation of Ms. Li Bing on 9 November 2020. With effect from 2 March 2021, Mr. Cheung has become the chairman of the Board and also assumed the role of acting chief executive officer of the Company until a suitable candidate is identified. The Board believes that vesting the roles of the chairman of the Board and the acting chief executive officer of the Company in Mr. Cheung will provide the Company with strong and consistent leadership and promote effective and efficient formulation and implementation of business decisions and strategies. The Board considers that such structure is in the best interests of the Company and its shareholders at this stage. The Board however will keep reviewing the current structure of the Group's management from time to time and should a candidate with suitable knowledge, skill and experience be identified, the Company will make such nomination as appropriate to ensure that the roles of the chairman of the Board and the chief executive officer of the Company are performed by two separate individuals.

Pursuant to Code Provision F.1.3 of the Corporate Governance Code, the chairman of the board should attend the annual general meeting. Mr. Cheung, the chairman of the Board, was unable to attend the annual general meeting of the Company held on 3 June 2026 (the "**2026 AGM**") due to other business engagements. Despite his absence, Mr. Cheung had reviewed all the documents of the 2026 AGM provided by the company secretary of the Company before the meeting, and all records and minutes of the 2026 AGM have been circulated to Mr. Cheung after the meeting for information. Mr. Leung Hon Man, an executive Director, who took the chair of the 2026 AGM, together with other members of the Board who attended the 2026 AGM were of sufficient calibre and knowledge for answering questions at the 2026 AGM.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirms that the Directors have complied with the required standard set out in the Model Code during the Period.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (30 June 2025: nil).

ASSET CHARGES

The Group had no material asset charges as at 30 June 2026 (31 December 2025: nil).

REVIEW OF INTERIM FINANCIAL STATEMENTS

The unaudited Interim Financial Statements of the Group for the Period have been reviewed by the Audit Committee before they were duly approved by the Board and the Board is of the opinion that such financial information has been prepared in accordance with the applicable accounting standards.

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

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

EVENTS AFTER THE REPORTING PERIOD

As disclosed in the Company's announcement dated 26 June 2026, the board lot size of the Shares for trading on the Stock Exchange has been changed from 50,000 Shares to 10,000 Shares with effect from 9:00 a.m. on Monday, 20 July 2026 (Hong Kong time).

Save as disclosed above, there are no significant event affecting the Group has occurred since the end of the Period and up to the date of this report.

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2026, the Group had 26 (31 December 2025: 25) employees, including Directors, in Hong Kong, Singapore and the PRC and its total staff costs for the Period were approximately HK$7.1 million (30 June 2025: approximately HK$6.6 million).

The Group's remuneration policies and structure have remained unchanged since the date of the 2025 annual report of the Company. The Share Option Scheme was adopted by the Company on 28 June 2018 as set out in the section headed "Share Option Scheme" on page 26 of this report.

ENVIRONMENTAL AWARENESS

Over the years, the Group has made considerable endeavours in reducing waste in the course of its operations. Since 2015, the Company has participated in the "Wastewi$e Certificate" of the Hong Kong Green Organisation Certification, which is a recognition scheme established by, among others, the Environmental Protection Department and Environmental Campaign Committee to encourage Hong Kong businesses and organisations in adopting structured measures to reduce the amount of waste generated within their establishments or generated through the services and products they provide. For details, please refer to the section headed "The Company's Mission and Vision on Sustainability Commitment" of the Company's environmental, social and governance report incorporated in the 2025 annual report as issued and published on 27 April 2026.

By Order of the Board
Cheung Siu Fai
Chairman and Executive Director

Hong Kong, 25 August 2026