AUTO ITALIA HOLDINGS LIMITED
意達利控股有限公司

(Incorporated in Bermuda with limited liability)
Stock Code: 720

INTERIM REPORT 2026

CONTENTS

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. CHONG Tin Lung Benny *(Executive Chairman and Chief Executive Officer)*
Mr. LI Shaofeng
Mr. LIN Chun Ho Simon
Mr. ZHANG Kun *(appointed on 4 February 2026)*

Non-executive Director

Ms. HANG Qingli

Independent Non-executive Directors

Mr. KONG Kai Chuen Frankie
Mr. TO Chun Wai
Dr. SHAM Chung Ping Alain

BOARD COMMITTEES

Audit Committee

Mr. KONG Kai Chuen Frankie *(Chairman)*
Mr. TO Chun Wai
Dr. SHAM Chung Ping Alain

Remuneration Committee

Mr. TO Chun Wai *(Chairman)*
Mr. CHONG Tin Lung Benny
Mr. KONG Kai Chuen Frankie
Dr. SHAM Chung Ping Alain

Nomination Committee

Mr. CHONG Tin Lung Benny *(Chairman)*
Ms. HANG Qingli
Mr. KONG Kai Chuen Frankie
Mr. TO Chun Wai
Dr. SHAM Chung Ping Alain

Executive Directors' Committee

Mr. CHONG Tin Lung Benny *(Chairman)*
Mr. LIN Chun Ho Simon

COMPANY SECRETARY
Ms. KWONG Yin Ping Yvonne

AUTHORISED REPRESENTATIVES
Mr. CHONG Tin Lung Benny
Ms. KWONG Yin Ping Yvonne

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PRINCIPAL BANKERS
China CITIC Bank International Limited
Industrial and Commercial Bank of China (Asia) Limited

AUDITOR
Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor
35th Floor, One Pacific Place
88 Queensway
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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Hong Kong

STOCK CODE

The Stock Exchange of Hong Kong Limited: 720

WEBSITE ADDRESS

www.autoitalia.com.hk

MANAGEMENT DISCUSSION AND ANALYSIS

The board (the "**Board**") of directors (the "**Director(s)**") of Auto Italia Holdings Limited (the "**Company**") is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026.

FINANCIAL REVIEW

Revenue

Property Investment Division

For the period ended 30 June 2026, the Property Investment Division recorded a rental income of HK$14.7 million for leasing the properties of the Group to third parties in Hong Kong and Scotland (2025: HK$13.2 million). Rental income grew by HK$1.5 million, primarily driven by the commencement of a new tenancy and positive rental reversions upon lease renewal in Scotland starting in the second half of 2025.

Car Division

For the six months ended 30 June 2026, revenue from the Car Division increased significantly to HK$12.3 million (2025: HK$6.0 million). This substantial growth was primarily driven by our successful market penetration and rising brand recognition in Europe, alongside strategic expansion into Africa and South America to broaden our customer base.

Financial Investments and Services Division

Amid the prevailing market turbulence, the Group has adopted a cautious approach in its lending business to mitigate the risk of loan defaults and non-performing debts. As at 30 June 2026 and 2025, the Group did not have any outstanding loans lent to customers. Hence, no revenue was recorded.

Cost of Sales and Gross Profit

Gross profit increased by HK$3.9 million to HK$14.3 million (2025: HK$10.4 million). The increase was primarily contributed by the performance of the Car Division.

As the car industry generally operates with structurally lower gross profit margins compared to the property investment sector, the shift in revenue mix resulted in a contraction in overall gross profit margin by 1.4 percentage points to 52.7% during the reporting period (2025: 54.1%).

Other Income

For the period ended 30 June 2026, other income amounted to HK$0.23 million (2025: HK$0.11 million). The increase of HK$0.12 million was mainly caused by write-off of aged payables to suppliers related discontinued operations in Wuhan.

Other Gains and Losses

Other gains and losses amounted to a net gain of HK$161.2 million (2025: HK$36.9 million) which mainly represented unrealised fair value gain on contingent consideration receivables of HK$169.1 million (2025: HK$21.0 million), net fair value gain of investment properties of HK$0.6 million (2025: HK$16.1 million) and cost of settlement of financial liabilities of HK$6.9 million in 2026 (2025: Nil).

Selling and Distribution Costs and Administrative Expenses

Selling and distribution costs and administrative expenses during the period aggregated to HK$18.9 million (2025: HK$17.8 million). The net increase of HK$1.1 million was primarily driven by higher freight and spare parts expenses, which were partially offset by disciplined control over research and development spending in car division.

Finance Costs

Finance costs during the period increased to HK$21.0 million (2025: HK$17.2 million) which was mainly caused by effective interest expense on convertible bonds of HK$3.6 million and imputed interest expense on promissory notes of HK$2.1 million in 2026 but partially offset by the decrease in loan interest expenses by HK$2.7 million in 2026.

Profit Attributable to Owners of the Company

Profit attributable to owners of the Company for the six months ended 30 June 2026 was HK$138.0 million (2025: HK$8.4 million). It was primarily contributed by fair value gain of financial assets measured at FVTPL of HK$169.1 million (2025: HK$21.6 million).

Liquidity and Financial Resources

Cash Flow

During the period ended 30 June 2026, the Group financed its operations and investments through cash generated from the Group's operations, share placing as well as bank and other borrowings. The Group successfully secured borrowings of HK$25.6 million. Additionally, the Group repaid borrowings of HK$33.2 million.

Cash and Cash Equivalents

As at 30 June 2026, the Group had cash and cash equivalents (including pledged bank deposits) of HK$58.3 million as compared with HK$14.2 million as at 31 December 2025, which were denominated in United States Dollars (as to 38.1%), Renminbi (as to 35.1%), Pound Sterling (as to 19.6%) and Euro (as to 5.9%).

Other Borrowings, Loan from a non-controlling member of a subsidiary, Loan from a related party, Loan from a shareholder, Promissory Notes and Convertible Bonds

As at 30 June 2026, the Group had other borrowings, loan from a non-controlling member of a subsidiary, loan from a related party, loan from a shareholder, promissory notes and convertible bonds totaling HK$471.6 million (31 December 2025: HK$502.6 million), of which HK$219.3 million were repayable more than one year (31 December 2025: HK$216.9 million were repayable more than one year). The Group's debt to equity ratio for the period ended 30 June 2026 decreased to 128.2% from 266.1% for the year ended 31 December 2025 based on the total of other borrowings, loan from a non-controlling member of a subsidiary, loan from a related party, loan from a shareholder, promissory notes and convertible bonds totaling HK$471.6 million (31 December 2025: HK$502.6 million) and total equity of HK$368.0 million (31 December 2025: HK$188.9 million).

The decrease in debt to equity ratio resulted from an increase in equity, driven by fair value gain of financial assets measured at FVTPL.

The promissory note has maturity of seven years until March 2028 and carries interest at 8% per annum ("**Promissory Note 1**"). As at 26 February 2026, the Promissory Note 1 was fully capitalized and satisfied through the issuance of 3% coupon convertible bonds with a maturity date falling on the third anniversary of the issuance date ("**Convertible Bonds**"). The Convertible Bonds are convertible into ordinary shares of the Company at a conversion price of HK$0.34 per conversion share. This capitalization transaction has resulted in the full settlement and derecognition of the Promissory Note 1 liability from the Group's statement of financial position during the reporting period.

Due to the acquisition of Hudson Holding Limited and its subsidiaries (the "**Hudson Group**"), the Company issued another promissory note having maturity of 3 years and without interest ("**Promissory Note 2**"). The fair value of Promissory Note 2 as at 30 June 2026 is HK$54.2 million. For the period ended 30 June 2026, the Group recognized imputed interest expense of HK$2.1 million on Promissory Note 2.

The loan from a related party is unsecured, interest-free and has an extended maturity in February 2026. This loan has been fully repaid in January 2026.

The other borrowings of HK$237.9 million, secured by an investment property in Scotland ("**Other Borrowings 1**"), and loan from a non-controlling member of a subsidiary have maturity in October 2026 and carry interest at 8.5% and 10% per annum respectively. Other Borrowings 2 represents an unsecured loan facility obtained by the Group from a third-party lender. This borrowing carries interest at a fixed rate of 9% per annum and is scheduled to mature in April 2028. As at 26 February 2026, Other Borrowings 2 was fully capitalized and satisfied through the issuance of Convertible Bonds. The remaining balance of the other borrowings amounted to HK$37.5 million, comprising principal of HK$37.1 million and accumulated interest of HK$0.4 million. These borrowings are unsecured, carries interest rates ranging from 2% to 3.85% per annum, with maturities spanning from 2027 to 2029. For the period ended 30 June 2026, the Group incurred total interest expense of HK$12.4 million on secured and unsecured other borrowings with a balance of HK$275.4 million, and HK$0.6 million on loan from a non-controlling interest in a subsidiary, which had a balance of HK$13.8 million.

The loan from a shareholder of HK$57.1 million is unsecured, carries interest at 7% per annum and will be matured in April 2028. For the period ended 30 June 2026, the Group incurred interest expense of HK$1.8 million on this loan.

As at 30 June 2026, the value of Convertible Bonds is HK$71.1 million. The Group incurred effective interest expense of HK$3.6 million on this Convertible Bonds during the reporting period.

Loan Receivables

During the current period of market distress, the Group has continued to adopt a prudent and cautious approach to balance the return and risk of the financing activities. As at 30 June 2026 and 31 December 2025, the Group did not have any outstanding secured loan lent to customers.

Foreign Exchange Exposure

The Group manages foreign exchange risk through natural hedging by matching liability currencies with collateral assets and operational cash flows, rather than maintaining a formal hedging policy. For the period ended 30 June 2026, UK property debt was serviced by Pound Sterling income, while automotive operations utilized RMB and Euro for transactions. The Board continuously monitors exposure and retains the option to implement hedging instruments should significant risks arise.

Due to the depreciation of the Pound Sterling and Euro over the period, a negative exchange difference arising on translation of foreign operations of approximately HK$3.5 million was recorded during the period (2025: positive exchange difference of approximately HK$16.3 million).

Pledge of Assets

As at 30 June 2026, certain of the Group's bank deposit and properties totaling HK$466.2 million (31 December 2025: bank deposit and properties totaling HK$469.0 million) were pledged as securities for relevant borrowings.

CAPITAL EXPENDITURES, COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2026, the Group had total capital commitment of HK$6.2 million (31 December 2025: HK$7.2 million), all capital commitments as at 30 June 2026 are contracted but not provided for. The capital commitment primarily related to addition of equipment for Electric Vehicle ("**EV**") business. These capital commitments are expected to be financed by internal resources of the Group.

As at 30 June 2026 and 31 December 2025, the Group had no material contingent liabilities.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Disclosure under Rule 14.36B

References are made to the announcements of the Company dated 11 September 2024, 21 October 2024 and 29 October 2024.

On 11 September 2024, Racing Time Limited ("**Racing Time**"), an indirectly wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**") with Power Sky Investments Limited, AB Holding Limited and Red Maple Holdings Limited (together the "**Vendors**") pursuant to which Racing Time conditionally agreed to acquire, and the Vendors conditionally agreed to sell the entire issued share capital of Hudson Holding Limited (the "**Sale Shares**"), at a consideration of HK$165,900,000 (the "**Consideration**"), which shall be settled (a) as to HK$104,000,000 by the issue and allotment of the 800,000,000 consideration shares of the Company (the "**Consideration Share(s)**") to the Vendors at the issue price of HK$0.13 per Consideration Share and (b) as to the remaining balance of HK$61,900,000 by the issue of the promissory notes (the "**Promissory Notes**") in the principal amounts by Racing Time to the Vendors (the "**Acquisition**"). Hudson Holding Limited is a company incorporated in Samoa with limited liability and is principally engaged in investment holding and its subsidiaries are engaging in research and development, as well as the production and export of electric vehicles to the European market.

On 29 October 2024, completion of the Acquisition has taken place. The Company issued (a) the 800,000,000 Consideration Shares to the Vendors and (b) the Promissory Notes to the Vendors.

Pursuant to the Sale and Purchase Agreement, the Vendors irrevocably and unconditionally warrant and guarantee to Racing Time that the consolidated revenue of the Hudson Group for the financial year or period commencing from 1 January 2025 to 31 December 2025 or an earlier date of fulfilment of the 2025 Guaranteed Revenue (whichever is the earlier) (the "**Guaranteed Period**"), prepared in accordance with the Hong Kong Financial Reporting Standards will not be less than RMB422,243,785 (equivalent to approximately HK$464,468,000) (the "**2025 Guaranteed Revenue**"). In the event that the actual consolidated revenue of the Hudson Group during the Guaranteed Period is less than the 2025 Guaranteed Revenue, Racing Time shall be compensated by the Vendors (in proportion to their respective Sale Shares sold to Racing Time) in according to a prescribed formula pursuant to the terms of the Sale and Purchase Agreement. The compensation amount shall first be offset by the Consideration Shares. The residual amount (if any) of the compensation amount shall then be offset by the face value of the Promissory Notes.

Given the potential adjustment on the Consideration, on 29 October 2024, each of the Vendors, Racing Time and VMS Securities Limited (the "**Escrow Agent**") entered into the escrow letter, pursuant to which the Consideration Shares and Promissory Notes shall be held by the Escrow Agent.

The consolidated revenue of the Hudson Group for the financial year ended 31 December 2025 in accordance with the Hong Kong Financial Reporting Standards amounted to RMB62,888,463. As compared with 2025 Guaranteed Revenue, there is a shortfall amount of RMB359,355,322. Racing Time shall be compensated by an amount equals to HK$141,191,061 which shall be first offset by transferring the Consideration shares held by Escrow Agent and the remaining balance by deducting from the Promissory Notes.

The management of the Company is currently engaged in commercial discussions with the Vendors regarding the potential commercial arrangements and the settlement of the compensation amount. The Company will comply with the disclosure requirements under Rule 14.36B of the Listing Rules as and when appropriate.

Save as disclosed above, there were no material acquisitions or disposals of subsidiaries, associates and joint ventures during the reporting period.

SHARE PLACEMENT AND ISSUANCE OF CONVERTIBLE BONDS

On 13 February 2026, the Company announced that it has conditionally agreed to place through Guotai Junan Securities (Hong Kong) Limited (the "**Placing Agent**"), on a best-effort basis, up to an aggregate of 50,000,000 new ordinary shares of the Company (the "**Placing Share(s)**") at the price of HK$0.30 per Placing Share (the "**Placing**") to raise up to approximately HK$14.36 million (after deduction of placing commission and other expenses of the Placing), representing approximately 0.78% of the then issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares. On 26 February 2026, a total of 50,000,000 Placing Shares have been successfully placed by the Placing Agent to no less than six independent places at the placing price of HK$0.30 per Placing Share. The net price per Placing Share is approximately HK$0.287.

The net proceeds (after deduction of placing commission and other expenses of the Placing) raised from the Placing amounted to approximately HK$14.36 million (the "**Net Proceeds**"). As at 30 June 2026, the Company has fully utilised the Net Proceeds in the following manner according to the use of proceeds as disclosed in the announcement of the Company dated 13 February 2026:

		As at 30 June 2026 **HK$'000**
The Net Proceeds		**14,360**
Less:	Expansion of the Group's electric vehicle business	**7,180**
	For the Group's general working capital purposes	**7,180**
Unutilised proceeds		**–**

Details of the Placing were disclosed in the announcements of the Company dated 13 February 2026 and 26 February 2026.

On 13 February 2026, the Company entered into a subscription agreement (the "**Subscription Agreement**") with Unicorn Global Group Limited (the "**Subscriber**"), pursuant to which the Company has conditionally agreed to issue to the Subscriber, and the Subscriber have conditionally agreed to subscribe for, the 3.0% coupon rate convertible bonds in aggregate principal amount of HK$98,000,000 (the "**Convertible Bonds**") at the conversion price of HK$0.34 per ordinary share of the Company ("**Share(s)**") which may be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds (the "**Conversion Share(s)**").

No gross proceeds were raised from the subscription of the Convertible Bonds and the subscription price of HK$98,000,000 was paid by the Subscriber to the Company by way of offsetting the indebted amount owned by the Group to the Subscriber on a dollar-for-dollar basis.

Details of the subscription of Convertible Bonds were disclosed in the announcements of the Company dated 13 February 2026 and 26 February 2026.

EVENTS AFTER THE REPORTING PERIOD

There are no material subsequent events after the end of the six months ended 30 June 2026.

HUMAN RESOURCES AND CHARITY

As at 30 June 2026, the Group employed a total of 37 employees in Hong Kong and Mainland China. The Group believes that employees are all pivotal to our development and representing the most valuable asset for supporting our sustainable business growth.

As always, we provided not only competitive remuneration packages and benefits programs to our employees, but also provided reasonable and safe working environment, as well as supporting employee's continued education to uncover their hidden potential. The Group also continued its contribution to local communities through participation in charitable events such as donations.

BUSINESS REVIEW

Property Investment

The property investment business has formed part of the Group's reportable segments since 2014. The property investment division of the Group oversees and reviews its property portfolio from time to time to enhance returns and holds investment properties to earn rentals or for capital appreciation purposes. The Company funds the operations of the property investment division with its internal resources and banking facility. Our property investments consist principally of a portfolio of an office building in Scotland ("**Capella**"), an industrial building and a car park in Hong Kong.

For our investment properties in Hong Kong and Scotland, the Group continued to earn a rental income of HK$0.8 million and HK$13.9 million respectively (2025: HK$1.1 million and HK$12.1 million respectively) from leasing the investment properties. During the period, the Group recorded a net unrealised gain on fair value change of investment properties of HK$0.6 million (2025: HK$16.1 million).

As at 30 June 2026, approximately 86% of the total net internal area of Capella is subject to various tenancy agreements at a total rental of approximately GBP3.0 million per annum with the expiry date in February 2035 at the latest and a weighted average unexpired lease term to expiry of 3.26 years.

Cars

During the first half of 2026, the Group deepened its presence across Europe and broader overseas markets, achieving breakthrough progress in establishing a long-term, robust, and sustainable global automotive business framework. During the reporting period, revenue from the car division recorded substantial year-on-year growth. The expansion in revenue scale and accelerated growth rate fully attest to the foresight of the Group's global strategic plan, its execution capabilities, and the growing recognition of its products in overseas markets.

During this period, the Group focused on four core pillars – channel network iteration and upgrading, global brand equity building, commercialization of core electric vehicle (EV) products, and organizational/human resource efficiency optimization. These initiatives comprehensively fortified the foundation for long-term growth, deepened business penetration in core European and emerging overseas markets, and built a solid groundwork for the global, large-scale development of the Group's automotive business.

I. Expansion and Optimization of Channel Networks with Key Business Milestones Achieved

(I) Enhancing Quality and Efficiency of Existing Mature Channels for Stable Growth

Working closely with local partners, the Group implemented a full suite of supporting measures across existing sales channels, including localized brand marketing, secondary distribution network construction, integrated end-customer services, and standardized overseas after-sales service training. These efforts continuously unlocked potential in existing markets while enhancing the operational and service capabilities of overseas partners, thereby strengthening long-term customer stickiness. Currently, mature markets such as Germany, Austria, Armenia, and Uruguay have generated stable and sustainable business increments, leading to the continuous release of repeat purchases and long-term customer orders.

(II) Breakthroughs in Key Account Business to Cultivate a Second Growth Engine

Significant milestones were achieved in designated Key Account (KA) projects:

- Successfully completed two batches of special test sample vehicle deliveries for a pharmaceutical group in Côte d'Ivoire.

- Completed the trial production and delivery of specialized sample vehicles, including a mobile library and a mobile office vehicle, for Cape Verde.

- Successfully breached entry barriers for large European fleets by shortlisting in public tenders for leading logistics fleets in the Netherlands and Serbia. This signifies that the Group's commercial vehicle products have officially gained recognition in the large-scale European fleet market.

As KA projects continue to land and convert into bulk orders, the KA business is set to become the second major revenue driver for the Group's automotive segment.

(III) Implementation of Innovative Channel Models and Continued Global Footprint Expansion

The Group deployed a proprietary, market-tested composite customer acquisition model combining a local agent system, radiation/empowerment from European benchmark markets, on-the-ground business development, and digital online operations. This multi-channel synergy propelled expansion into brand-new overseas markets.

During the reporting period, business teams were dispatched on field trips across multiple countries in Europe, South America, and Africa to conduct face-to-face product presentations and commercial negotiations with local clients and distributors, efficiently tapping regional potential. In the first half of 2026, the Group successfully expanded into multiple new national markets across Europe, Eurasia, South America, and the Middle East/Africa regions. To date, the Group's automotive footprint spans dozens of countries worldwide. This initial scale of global channel layout provides ample market space and performance support for continuous long-term volume growth overseas.

II. *Brand Equity Upgrading and Targeted Commercialization of Core EV Products*

During the reporting period, the Group focused on three primary electric vehicle models as key sales drivers. By closely aligning with local policy environments, passenger transport, and specialized operational needs across different regions, the Group executed customized promotional and marketing campaigns to precisely reach European end-customers and procurement entities, thereby reinforcing its differentiated competitive edge in the electric bus and special-purpose vehicle segments.

Distinct from peers who purely sell vehicles, the Group concurrently delivers mature, integrated "solar-storage-charging" transit operational solutions. This assists clients in reducing costs and boosting efficiency while deploying cutting-edge new energy technology, further consolidating the Group's industry position in the overseas new energy vehicle (NEV) market.

Offline Exposure at Industry Expos to Boost Regional Brand Momentum

The Group actively collaborated with global partners to participate in top-tier regional automotive trade shows, achieving targeted offline brand exposure:

1. **Flotte! Der Gewerbefuhrkpark (Düsseldorf, Germany)**: Participation significantly strengthened brand awareness and industry voice for the HUDSON brand across core European regions such as Germany and Austria.

2. **LEASING EXPO (Armenia)**: Appearance at this event effectively radiated across Armenia and surrounding Central Asian markets, opening up regional partnership channels.

Digital Omnichannel Marketing to Build a Long-Term Communication Matrix

On the digital front, the Group maintained regular operations on major regional social platforms (including Facebook and LinkedIn), consistently sharing brand interactions, product case studies, and project milestones. Coupled with multi-language localized official websites, local offline events, and in-depth media collaborations, the Group connected its online and offline communication channels, continuously enhancing global customer awareness and brand trust.

III. Optimization of Human Resources to Support Sustainable Global Growth

In step with overseas expansion across multiple countries and regions, the Group targeted optimizations in its overseas organizational structure, staffing allocations, and performance assessment systems. These steps raised human efficiency across front-line commercial, after-sales, and localized operations teams.

Through mechanisms such as agent recruitment and elimination, headquarters-to-field joint business trips, routine overseas service support, and dedicated KA project task forces, the Group has built a professional team tailored for global operations. This provides stable manpower support for channel expansion, key account development, localized management, and end-customer after-sales guarantees.

Financial Investments and Services

The Group holds a valid money lender license and successfully renew the license in January 2026. The Group also has adequate infrastructure to support the financial services division such as subscribing to the World-Check database system operated by Reuters to conduct comprehensive background checks of the borrowers and security providers.

To cope with the recent susceptible market sentiments and market volatility, the Group has continued to adopt a prudent and cautious approach to balance the return and risk of the financing activities. As at 30 June 2026 and 31 December 2025, the Group did not have any outstanding secured loan lent to customers.

OUTLOOK

Building on the progress achieved in the first half of 2026, the Group remains committed to driving sustainable growth within the electric vehicle sector. In response to ongoing economic uncertainties, geopolitical risks, and industry-wide challenges, management will maintain a prudent operational stance. We remain focused on disciplined capital management, strict cost control, and enhanced operational efficiency to reinforce our financial resilience. Furthermore, the Group is proactively mitigating market pressures by expanding into key growth markets across South America, Africa, and China, while deepening penetration into European corporate key accounts – thereby narrowing demand gaps and safeguarding long-term shareholder value.

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERIM DIVIDEND

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

DISCLOSURE OF INTERESTS

Directors' interests and chief executive's interests and short positions in the shares, underlying shares and debentures

At 30 June 2026, the interests and short positions of each Director and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO; or are required, pursuant to the Model Code as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange are as follows:

Long positions in the Shares and underlying Shares

Name of Director	Capacity	Nature of Interest	Number of ordinary Shares held	Approximate percentage of the Company's total issued Shares (Note 1)
Mr. CHONG Tin Lung Benny ("**Mr. Chong**")	Beneficial owner	Personal interest	51,891,000 (Note 2)	0.84%
	Interest of controlled corporation	Corporate interest	1,519,016,472 (Note 3)	24.73%
Mr. LIN Chun Ho Simon ("**Mr. Lin**")	Beneficial owner	Personal interest	2,377,500 (Note 4)	0.04%
Mr. LI Shaofeng ("**Mr. Li**")	Beneficial owner	Personal interest	209,000,000 (Note 5)	3.40%

Notes:

1. *The percentage of shareholding is calculated on the basis of the Company's issued share capital of 6,142,515,390 Shares as at 30 June 2026.*

2. *Mr. Chong is beneficially interested in 51,891,000 ordinary Shares.*

3. *VMS Investment Group Limited ("**VMSIG**") directly holds 1,214,291,472 Shares (approximately 19.77% of the issued share capital of the Company) and Gustavo International Limited directly holds 304,725,000 Shares (approximately 4.96% of the issued share capital of the Company). Gustavo International Limited is wholly-owned by Maini Investments Limited, Maini Investments Limited is wholly-owned by VMSIG and VMSIG is wholly-owned by Mr. Chong. By virtue of the SFO, Mr. Chong is deemed to be interested in such 24.73% of the issued share capital of the Company.*

   *On 22 January 2026, VMSIG, Maini Investments Limited and Gustavo International Limited entered into a sale and purchase agreement with B-ON Global S.àr.l. (the "**Potential Purchaser**") which the Potential Purchaser shall acquire interest in 1,300,000,000 Shares (the "**Potential Share Transfer**"). Upon completion of the Potential Share Transfer, VMSIG will holds 219,016,472 Shares, representing approximately 3.57% of the issued capital of the Company and the Potential Purchaser will be interested in 1,300,000,000 Shares, representing approximately 21.16% of the issued share capital of the Company. As at the date of this report, the Potential Share Transfer has not been completed. For more details, please refer to the announcements of the Company dated 22 January 2026, 20 February 2026, 6 March 2026 and 19 May 2026.*

4. *Mr. Lin is beneficially interested in 2,377,500 ordinary Shares.*

5. *Mr. Li is beneficially interested in 209,000,000 ordinary Shares.*

Save as disclosed above, as at 30 June 2026, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) 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.

Arrangement for Directors to acquire Shares or debentures

Save as disclosed in the section headed "**Share Scheme**" of this report, at no time during the six months ended 30 June 2026 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors and the Chief Executives (including their spouse and children under 18 years of age) to acquire benefits by means of the acquisition of Shares in or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Substantial shareholders' interests and short positions in the Shares, underlying Shares and debentures

As at 30 June 2026, so far as is known to the Directors, the persons or corporations (other than the Directors or the chief executives of the Company) who had interests or short positions in the Shares and underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO were as follows:

Long positions in the Shares and underlying Shares

Name of Shareholder(s)	Nature of Interest	Number of Shares	Approximate percentage of the Company's total issued Shares#
VMS Investment Group Limited ("**VMSIG**")	Beneficial owner and interest of controlled corporation	1,519,016,472 *(Note 1)*	24.73%
Mr. Chong	Interest of controlled corporation	1,519,016,472 *(Note 1)*	24.73%
Power Sky Investments Limited	Beneficial owner	350,000,000 *(Note 2)*	5.70%
Mr. XU Weidong	Interest of controlled corporation	350,000,000 *(Note 2)*	5.70%

\# Based on the total issued Shares of 6,142,515,390 as at 30 June 2026.

Notes:

1. *VMSIG directly holds 1,214,291,472 Shares (approximately 19.77% of the issued share capital of the Company) and indirectly holds 304,725,000 Shares (approximately 4.96% of the issued share capital of the Company) through Gustavo International Limited. Gustavo International Limited is wholly-owned by Maini Investments Limited, Maini Investments Limited is wholly-owned by VMSIG, VMSIG is thus interested in a total of approximately 24.73% of the issued share capital of the Company. VMSIG is wholly-owned by Mr. Chong. By virtue of the SFO, Mr. Chong is deemed to be interested in such 24.73% of the issued share capital of the Company.*

   *On 22 January 2026, VMSIG, Maini Investments Limited and Gustavo International Limited entered into a sale and purchase agreement with B-ON Global S.àr.l. (the "**Potential Purchaser**") which the Potential Purchaser shall acquire interest in 1,300,000,000 Shares (the "**Potential Share Transfer**"). Upon completion of the Potential Share Transfer, VMSIG will holds 219,016,472 Shares, representing approximately 3.57% of the issued capital of the Company and the Potential Purchaser will be interested in 1,300,000,000 Shares, representing approximately 21.16% of the issued share capital of the Company. As at the date of this report, the Potential Share Transfer has not been completed. For more details, please refer to the announcements of the Company dated 22 January 2026, 20 February 2026, 6 March 2026 and 19 May 2026.*

2. *Power Sky Investments Limited directly holds 350,000,000 Shares. Power Sky Investments Limited is wholly-owned by Mr. XU Weidong. By virtue of the SFO, Mr. XU Weidong is deemed to be interested in the Shares held by Power Sky Investments Limited.*

All interests in Shares and underlying shares of equity derivatives of the Company are long positions. None of the substantial shareholders of the Company held any short positions in the Shares or underlying shares of equity derivatives of the Company.

Save as disclosed above, as at 30 June 2026, the Company had not been notified by any persons or corporations (other than the Directors or the chief executives of the Company) who had interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO.

SHARE SCHEME

At the special general meeting of the Company held on 20 May 2026, the shareholders of the Company (the "**Shareholders**") approved the adoption of a new share scheme (the "**Share Scheme**") for the purpose of providing participants with an opportunity to acquire shareholding interests in the Company and to encourage participants to contribute to the long-term growth, performance and profits of the Company and to enhance the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole.

Pursuant to the Share Scheme, the participants of the Share Scheme are director(s) and employee(s) (including full-time and part-time employees) of the Group as the Board may in its absolute discretion determine (the "**Eligible Participant(s)**").

The total number of Shares which may be issued in respect of all share options or share awards (the "**Award(s)**") to be granted under the Share Scheme and any other scheme(s) of the Company shall not exceed 614,251,539 (being 10% of the Shares in issue (excluding any treasury Shares) on the adoption date of the Share Scheme (i.e. 20 May 2026)) (the "**Scheme Mandate Limit**"). The share awards or share options lapsed in accordance with the terms of the Share Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. Subject to the approval of Shareholders in general meeting, the Company may refresh the Scheme Mandate Limit to the extent that the total number of Shares which may be issued in respect of all Awards to be granted under the Share Scheme and all other schemes of the Company under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares in issue (excluding any treasury Shares) as at the date of the aforesaid approval to refresh the Scheme Mandate Limit by the Shareholders in general meeting.

There is no specific maximum entitlement for each Eligible Participant under the Share Scheme. Grants to individuals that exceed the thresholds set out in Chapter 17 of the Listing Rules will be subject to additional approval requirements as required under Chapter 17 of the Listing Rules.

Where any grant of Awards to an Eligible Participant would result in the Shares issued and to be issued in respect of all Awards granted to such person (excluding any Awards lapsed in accordance with the terms of the Share Scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of Shares of the Company in issue (excluding treasury Shares), such grant must be separately approved by Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. Any grant of Awards to any of the Directors, chief executive of the Company or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors ("**INED(s)**") (excluding any INED who and whose associate is the proposed grantee of the Awards (if any)). Where any grant of share awards (excluding grant of share options) to a Director (other than an INED) or chief executive of the Company, or any of their associates would result in the Shares issued and to be issued in respect of all share awards granted (excluding any share awards lapsed in accordance with the terms of the Share Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the relevant class of Shares in issue (excluding treasury Shares), such further grant of share awards must be approved by Shareholders in general meeting. The grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. Where any grant of Awards to an INED or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the Share Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the relevant class of Shares in issue (excluding treasury Shares), such further grant of Awards must be approved by Shareholders in general meeting. The grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting.

The Board may determine in their absolute discretion the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the award letter. Such amount will either be HK$1.0 or nil. Unless otherwise specified in the award letter, the grantee shall have 21 business days from the grant date of the Award to accept the Award, following which, the portion not accepted by the grantee shall automatically lapse.

The minimum period for which an Award must be held before it can be exercised is determined by the Board, which shall generally not be less than 12 months from the date of grant of such Award. The vesting period of 12 months which may be shortened under certain circumstances which align with the purpose of the Share Scheme.

The Share Scheme will remain in force for a period of 10 years from the adoption date of the Share Scheme. The Board may determine in its absolute discretion the exercise period for any award of share options and/or share awards and such period shall be set out in the award letter. However, the exercise period for any award of share options shall not be longer than 10 years from the date of grant.

The Directors may determine in their absolute discretion the issue price for the share awards and/or the exercise price for share options for Awards in the form of share awards and/or share options (as the case may be) and such prices shall be set out in the award letter. However, the exercise price for share options shall be no less than the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the share options; and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the share options. The issue price for the share awards shall be determined on an individual basis for each of the grantee by the Directors, taking into account the purpose of the Share Scheme, the interests of the Company and the individual circumstances of each grantee.

During the reporting period, no Award was granted, exercised, cancelled or lapsed under the Share Scheme. Accordingly, as at 30 June 2026, there was no Award outstanding under the Share Scheme while no Shares that might be issued pursuant thereto. As no Award was granted during the reporting period under the Share Scheme, the number of Shares that may be issued in respect of Awards granted under the Share Scheme during the reporting period divided by the weighted average number of Shares in issue for the reporting period is therefore not applicable. The total number of Award available for grant under the Scheme Mandate Limit as at 30 June 2026 was 614,251,539.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including treasury Shares (as defined in the Listing Rules, if any) during the six months ended 30 June 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Maintaining an effective corporate governance framework is one of the priorities of the Company. In the opinion of the Directors, the Company had complied with all the code provisions of the Corporate Governance Code (the "**CG Code**") and Corporate Governance Report as set out in Appendix C1 of the Listing Rules on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") throughout the six months ended 30 June 2026, except Code Provision C.2.1 of the CG Code.

CG Code Provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. CHONG Tin Lung Benny is the Executive Chairman and the Chief Executive Officer. Mr. CHONG Tin Lung Benny has extensive experience in corporate management and securities investments and is responsible for the overall corporate strategies, planning and business development of the Group. The Board considers that the vesting of two roles in the same person provides our Group with strong and consistent leadership and facilitates the implementation and execution of our Group's business strategy. The Board believes that a balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high caliber individuals including four Executive Directors (including Mr. CHONG Tin Lung Benny), one Non-executive Director and three INEDs as at the date of this report who offer advices and views from different perspectives. Moreover, the audit committee under the Board (the "**Audit Committee**") has been provided with sufficient resources to perform its duties, including obtaining outside legal or other independent professional advice when it considers necessary. The Company shall nevertheless review the structure from time to time in light of the prevailing circumstances.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers set out in Appendix C3 of the Listing Rules (the "**Model Code**") as standard for dealings in securities of the Company by the Directors. Having made specific enquiry of all Directors by the Company, the Directors confirmed in writing that they have complied with the standards set out in the Model Code throughout the six months ended 30 June 2026.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors subsequent to the date of the 2025 annual report of the Company are set out below:

Mr. LI Shaofeng, an executive Director of the Company, whose old service agreement with the Company for three years expired on 27 February 2026. On 28 February 2026, entered into a new service agreement with Mr. LI Shaofeng for a term of three years commencing from 28 February 2026 to 27 February 2029 (both dates inclusive), and he is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws of the Company.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(B) of the Listing Rules on the Stock Exchange.

THE BOARD

The Directors who held office during the six months ended 30 June 2026 and up to the date of this report are:

Executive Directors

Mr. CHONG Tin Lung Benny *(Executive Chairman and Chief Executive Officer)*
Mr. LI Shaofeng
Mr. LIN Chun Ho Simon
Mr. ZHANG Kun *(appointed on 4 February 2026)*

Non-executive Director

Ms. HANG Qingli

INEDs

Mr. KONG Kai Chuen Frankie
Mr. TO Chun Wai
Dr. SHAM Chung Ping Alain

BOARD COMMITTEES

Audit Committee

The members of the Audit Committee comprise Mr. KONG Kai Chuen Frankie, Mr. TO Chun Wai and Dr. SHAM Chung Ping Alain, all of whom are INEDs. Mr. KONG Kai Chuen Frankie is the chairman of the Audit Committee.

The principal duties of the Audit Committee should be to make recommendations to the Board on the appointment, re-appointment and removal of the external auditors and their remuneration for audit and non-audit services; to review the effectiveness of the audit process in accordance with applicable standards; to review changes in accounting policies and practices; to review the fairness and reasonableness of any connected transaction; to review the cash flow position of the Group; and to review the dividend policy, internal control and risk management systems of the Group and to provide advices and comments to the Board.

Remuneration Committee

The members of the remuneration committee under the Board (the "**Remuneration Committee**") comprise Mr. KONG Kai Chuen Frankie, Mr. TO Chun Wai and Dr. SHAM Chung Ping Alain, all of whom are INEDs, and Mr. CHONG Tin Lung Benny, an executive Director. Mr. TO Chun Wai is the chairman of the Remuneration Committee.

The Remuneration Committee has the delegated responsibility to determine the remuneration packages of individual executive Directors and senior management and review the Share Scheme and other share schemes (if any) of the Company on annual basis. The Remuneration Committee has also adopted a set of policy and guidelines to govern its administration in reviewing, considering and fixing the remuneration packages and benefits of Directors and senior management of the Group.

Nomination Committee

The members of the nomination committee under the Board (the "**Nomination Committee**") comprise Mr. KONG Kai Chuen Frankie, Mr. TO Chun Wai and Dr. SHAM Chung Ping Alain, all of whom are INEDs, Ms. HANG Qingli, a non-executive Director, and Mr. CHONG Tin Lung Benny, an executive Director. Mr. CHONG Tin Lung Benny is the chairman of the Nomination Committee.

The Nomination Committee is primarily responsible for making recommendations to the Board on appointment of directors regarding the qualifications and competency of the candidates, reviewing the structure, size, composition and diversity of the Board, assisting the Board in maintaining a board skills matrix and to support the Company's regular evaluation of the Board.

Executive Directors' Committee

The members of the Executive Directors' Committee comprise Mr. CHONG Tin Lung Benny and Mr. LIN Chun Ho Simon, all of whom are executive Directors. Mr. CHONG Tin Lung Benny is the chairman of the Executive Directors' Committee.

The Executive Directors' Committee is formed for the management of the Company's business. The Board delegated its power to the Executive Directors' Committee to carry on the business of the Company; to negotiate, enter into and sign on behalf of all contracts, tenders, agreements and distributorship; to negotiate with bankers for obtaining banking facilities, to enter into any guarantee, contract of indemnity; and to manage the Company's business activities and investments.

REVIEW OF INTERIM RESULTS

The interim results of the Group for the six months ended 30 June 2026 have not been audited but have been reviewed by Messrs. Deloitte Touche Tohmatsu, Certified Public Accountants, the Company's auditor. The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026.

By order of the Board

CHONG Tin Lung Benny
Executive Chairman and Chief Executive Officer

Hong Kong, 28 August 2026

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte. 德勤

TO THE BOARD OF DIRECTORS OF AUTO ITALIA HOLDINGS LIMITED

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Auto Italia Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 34 to 68, which comprise the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("**HKAS 34**") as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
28 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	Continuing operations Six months ended 30 June **2026** **HK$'000** **(unaudited)**	 2025 HK$'000 (unaudited)	Discontinued operation Six months ended 30 June **2026** **HK$'000** **(unaudited)**	 2025 HK$'000 (unaudited)	Total Six months ended 30 June **2026** **HK$'000** **(unaudited)**	 2025 HK$'000 (unaudited)
Revenue from goods and services		**12,327**	5,837	**–**	139	**12,327**	5,976
Rental income		**14,746**	13,238	**–**	–	**14,746**	13,238
Total revenue		**27,073**	19,075	**–**	139	**27,073**	19,214
Cost of sales and services		**(12,810)**	(8,638)	**–**	(174)	**(12,810)**	(8,812)
Gross profit (loss)		**14,263**	10,437	**–**	(35)	**14,263**	10,402
Other income	4	**68**	105	**157**	–	**225**	105
Other gains and losses	5	**161,256**	36,955	**(35)**	(29)	**161,221**	36,926
Selling and distribution costs		**(4,100)**	(1,548)	**–**	(213)	**(4,100)**	(1,761)
Administrative expenses		**(14,467)**	(13,058)	**(309)**	(3,000)	**(14,776)**	(16,058)
Finance costs	6	**(20,966)**	(17,218)	**–**	–	**(20,966)**	(17,218)
Profit (loss) before taxation		**136,054**	15,673	**(187)**	(3,277)	**135,867**	12,396
Taxation	7	**489**	115	**–**	–	**489**	115
Profit (loss) for the period	9	**136,543**	15,788	**(187)**	(3,277)	**136,356**	12,511

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2026

	Note	Total Six months ended 30 June **2026** **HK$'000** **(unaudited)**	 2025 HK$'000 (unaudited)
Profit (loss) for the period attributable to owners of the Company			
– from continuing operations		**138,064**	10,096
– from discontinued operation		**(95)**	(1,671)
		137,969	8,425
(Loss) profit for the period attributable to non-controlling interests			
– from continuing operations		**(1,521)**	5,692
– from discontinued operation		**(92)**	(1,606)
		(1,613)	4,086
Profit for the period		**136,356**	12,511
Earnings per share (from continuing and discontinued operations)			
– Basic	10	**HK2.59 cents**	HK0.16 cents
– Diluted	10	**HK2.55 cents**	HK0.16 cents
Earnings per share (from continuing operations)			
– Basic	10	**HK2.59 cents**	HK0.19 cents
– Diluted	10	**HK2.55 cents**	HK0.19 cents

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)
Profit for the period	**136,356**	12,511
Other comprehensive (expense) income for the period		
Item that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	**(3,079)**	22,930
Total comprehensive income for the period	**133,277**	35,441
Total comprehensive income (expense) for the period attributable to:		
– owners of the Company	**134,509**	24,709
– non-controlling interests	**(1,232)**	10,732
	133,277	35,441
Total comprehensive income (expense) for the period attributable to owners of the Company:		
– from continuing operations	**134,549**	26,310
– from discontinued operation	**(40)**	(1,601)
	134,509	24,709

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	At 30 June 2026 HK$'000 (unaudited)	At 31 December 2025 HK$'000 (audited)
Non-current assets			
Investment properties	12	**500,588**	504,241
Property, plant and equipment	13	**7,511**	8,154
Right-of-use assets		**4,318**	2,928
Trade and other receivables	15	**6,854**	5,074
		519,271	520,397
Current assets			
Inventories		**4,588**	4,385
Trade and other receivables	15	**14,874**	70,236
Financial asset at fair value through profit or loss ("**FVTPL**")	14	**320,562**	151,498
Tax recoverable		**863**	–
Pledged bank deposits		**6,230**	8,564
Bank balances and cash		**52,041**	5,606
		399,158	240,289
Current liabilities			
Trade and other payables	16	**67,411**	58,136
Tax payable		**–**	6,376
Other borrowings	17	**238,510**	261,299
Loan from a non-controlling member of a subsidiary		**13,796**	11,112
Loan from a related party	19	**–**	13,373
Lease liabilities		**3,478**	2,124
		323,195	352,420
Net current assets (liabilities)		**75,963**	(112,131)
Total assets less current liabilities		**595,234**	408,266

Condensed Consolidated Statement of Financial Position

At 30 June 2026

	Notes	At 30 June 2026 HK$'000 (unaudited)	At 31 December 2025 HK$'000 (audited)
Capital and reserves			
Share capital	21	**122,850**	121,850
Reserves		**183,482**	4,170
Equity attributable to owners of the Company		**306,332**	126,020
Non-controlling interests		**61,694**	62,926
Total equity		**368,026**	188,946
Non-current liabilities			
Other borrowings	17	**36,877**	97,393
Convertible bonds	18	**71,085**	–
Loan from a shareholder	19	**57,127**	33,279
Promissory notes	20	**54,194**	86,187
Deferred taxation		**6,493**	1,058
Lease liabilities		**1,432**	1,403
		227,208	219,320
		595,234	408,266

Approved by the Board of Directors on 28 August 2026 and are signed on its behalf by:

CHONG Tin Lung Benny	**LIN Chun Ho Simon**
DIRECTOR	**DIRECTOR**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company											
	Share capital HK$'000	Share premium HK$'000	Convertible bonds equity reserve HK$'000	Capital redemption reserve HK$'000	Share option reserve HK$'000	Property revaluation reserve HK$'000 (Note a)	Translation reserve HK$'000	Other reserve HK$'000 (Note b)	Accumulated losses HK$'000	Subtotal HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 January 2026 (audited)	121,850	405,725	-	2,151	19,362	19,246	395	166,431	(609,140)	126,020	62,926	188,946
Profit (loss) for the period	-	-	-	-	-	-	-	-	137,969	137,969	(1,613)	136,356
Other comprehensive (expense) income for the period	-	-	-	-	-	-	(3,460)	-	-	(3,460)	381	(3,079)
Total comprehensive (expense) income for the period	-	-	-	-	-	-	(3,460)	-	137,969	134,509	(1,232)	133,277
Issue of shares upon placing (note 21)	1,000	14,000	-	-	-	-	-	-	-	15,000	-	15,000
Share issue costs (note 21)	-	(640)	-	-	-	-	-	-	-	(640)	-	(640)
Recognition of equity component of convertible bonds	-	-	31,443	-	-	-	-	-	-	31,443	-	31,443
At 30 June 2026 (unaudited)	122,850	419,085	31,443	2,151	19,362	19,246	(3,065)	166,431	(471,171)	306,332	61,694	368,026
At 1 January 2025 (audited)	121,850	405,725	-	2,151	19,362	19,246	(12,194)	166,431	(509,984)	212,587	54,926	267,513
Profit for the period	-	-	-	-	-	-	-	-	8,425	8,425	4,086	12,511
Other comprehensive income for the period	-	-	-	-	-	-	16,284	-	-	16,284	6,646	22,930
Total comprehensive income for the period	-	-	-	-	-	-	16,284	-	8,425	24,709	10,732	35,441
At 30 June 2025 (unaudited)	121,850	405,725	-	2,151	19,362	19,246	4,090	166,431	(501,559)	237,296	65,658	302,954

Notes:

(a) The property revaluation reserve represents the change in use of a property from owner-occupied property to investment property in previous years.

(b) The other reserve of the Group was transferred from the share premium pursuant to the capital re-organisation and the changes in the Group's ownership interest in its subsidiaries in previous years.

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)
OPERATING ACTIVITIES		
Profit before taxation	**135,867**	12,396
Adjustments for:		
Depreciation of property, plant and equipment	**591**	786
Depreciation of right-of-use assets	**1,064**	792
Amortisation of intangible assets	**–**	1,608
Fair value loss on investment of an associate measured at FVTPL	**–**	1,129
Fair value gain on financial assets at FVTPL	**(169,064)**	(21,622)
Fair value gain on investment properties	**(596)**	(16,117)
Cost of settlement of financial liabilities	**6,883**	–
Finance costs	**20,966**	17,218
Other adjustments	**25**	(64)
Operating cash flows before movement in working capital	**(4,264)**	(3,874)
(Increase) decrease in inventories	**(210)**	47
Decrease in trade and other receivables	**292**	3,747
Increase (decrease) in trade and other payables	**7,929**	(132)
Net cash generated from (used in) operations	**3,747**	(212)
Income tax paid	**(6,634)**	–
NET CASH USED IN OPERATING ACTIVITIES	**(2,887)**	(212)

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)
INVESTING ACTIVITIES		
Interest received	**10**	93
Purchase of property, plant and equipment	**(157)**	(6,004)
Proceeds from disposal of property, plant and equipment	**287**	688
Proceeds from disposal of financial assets at FVTPL	**52,471**	–
Withdrawal of pledged bank deposits	**3,812**	332
NET CASH GENERATED FROM (USED IN) INVESTING ACTIVITIES	**56,423**	(4,891)
FINANCING ACTIVITIES		
Other borrowings raised	**3,577**	8,198
Repayment of other borrowings	**(21,676)**	(20,125)
Advanced from a shareholder	**22,000**	23,000
Repayment to a related party	**(11,548)**	–
Repayment of lease liabilities	**(1,067)**	–
Proceeds from issue of shares upon placing	**15,000**	–
Share issue costs	**(640)**	–
Interest paid on bank and other borrowings	**(11,283)**	(11,964)
NET CASH USED IN FINANCING ACTIVITIES	**(5,637)**	(891)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**47,899**	(5,994)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	**5,606**	18,116
Effect of exchange rate changes	**(1,464)**	1,712
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	**52,041**	13,834

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("**HKAS 34**") "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**the Listing Rules**").

As at 30 June 2026, while the Group reported net current assets of HK$75,963,000, its current assets included financial assets at FVTPL amounting to HK$320,562,000. For the purpose of assessing liquidity, excluding these financial assets at FVTPL, the Group's current liabilities effectively exceeded its readily available liquid current assets by HK$244,599,000. In preparing the condensed consolidated financial statements, the Directors have given careful consideration to the future liquidity and financial position of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain plans and considerations have been taken by the Directors to mitigate the liquidity risk of the Group and to improve the financial position of the Group, and the plans and considerations are as follows.

The Group is currently in negotiation with a financial institution on obtaining financing, and the Directors expect that such financing will be successfully obtained. The Group will repay the other borrowing of HK$237,895,000 upon the successful obtaining of the financing, with repayment to take place on or before its maturity on 16 October 2026.

The Group has available undrawn committed borrowing facilities amounting to HK$226,000,000 as at 30 June 2026.

1. BASIS OF PREPARATION *(Continued)*

The Group may look for better financing options for the Group or seek opportunity to realise the Group's non-current assets, if necessary, in order to strengthen the Group's future liquidity and financial position.

The Directors are of the opinion that, taking into account the above-mentioned plans and considerations, the Group will have sufficient working capital to meet its financial obligations as they fall due within twelve months from the date of approval of the condensed consolidated financial statements. Accordingly, the Directors are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments which are measured at fair values, as appropriate.

The accounting policies applied and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.1 Application of amendments to HKFRS Accounting Standards

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods.

3. SEGMENT INFORMATION

During the six months ended 30 June 2026, the Group has three operating segments under HKFRS 8 "Operating Segments" which are from continuing operations as follows:

(i) Cars – Trading of cars and related accessories and provision of after sales services, research and development and sale of electric vehicles and related accessories;

(ii) Property investment; and

(iii) Financial investments and services – Investments in securities and provision for financing and corporate finance services.

Segment profit/loss represents the profit/loss before taxation earned by each segment without allocation of fair value loss on investment of an associate measured at FVTPL, fair value gain on certain financial assets at FVTPL, certain unallocated corporate expenses and finance costs. This is the measure reported to chief operating decision maker, being the executive directors of the Company, for the purpose of resource allocation and assessment of segment performance.

An operating segment regarding the cars business in the People's Republic of China ("**PRC**") was discontinued in the prior period. The segment revenue and results reported on the next pages do not include any amounts for this discontinued operation, which is described in more details in note 8.

3. SEGMENT INFORMATION *(Continued)*

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June 2026 (unaudited)

Continuing operations

	Cars HK$'000	Property investment HK$'000	Financial investments and services HK$'000	Consolidated HK$'000
SEGMENT REVENUE				
Group's revenue	12,327	14,746	–	27,073
SEGMENT RESULTS				
Segment profit (loss)	162,034	8,974	(173)	170,835
Cost of settlement of financial liabilities				(6,883)
Unallocated corporate expenses				(6,932)
Finance costs				(20,966)
Profit before taxation				136,054

3. SEGMENT INFORMATION *(Continued)*

Segment revenue and results *(Continued)*

Six months ended 30 June 2025 (unaudited)

Continuing operations

	Cars HK$'000	Property investment HK$'000	Financial investments and services HK$'000	Consolidated HK$'000
SEGMENT REVENUE				
Group's revenue	5,837	13,238	–	19,075
SEGMENT RESULTS				
Segment profit (loss)	15,569	22,909	(166)	38,312
Fair value loss on investment of an associate measured at FVTPL				(1,129)
Fair value gain on certain financial assets at FVTPL				645
Unallocated corporate expenses				(4,937)
Finance costs				(17,218)
Profit before taxation				15,673

3. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

At 30 June 2026 (unaudited)

	Cars HK$'000	Property investment HK$'000	Financial investments and services HK$'000	Consolidated HK$'000
Assets				
Segment assets	342,628	514,452	–	857,080
Bank balances and cash				52,041
Pledged bank deposits				6,230
Unallocated corporate assets				2,215
Tax recoverable				863
Consolidated assets				918,429
Liabilities				
Segment liabilities	67,845	264,744	–	332,589
Promissory notes				54,194
Convertible bonds				71,085
Deferred taxation				6,493
Unallocated corporate liabilities				86,042
Consolidated liabilities				550,403

3. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities *(Continued)*

At 31 December 2025 (audited)

	Cars HK$'000	Property investment HK$'000	Financial investments and services HK$'000	Consolidated HK$'000
Assets				
Segment assets	175,635	516,577	–	692,212
Bank balances and cash				5,606
Pledged bank deposits				8,564
Unallocated corporate assets				54,304
Consolidated assets				760,686
Liabilities				
Segment liabilities	69,707	284,133	–	353,840
Promissory notes				86,187
Tax payable				6,376
Deferred taxation				1,058
Unallocated corporate liabilities				124,279
Consolidated liabilities				571,740

For the purpose of monitoring segment performance and allocating resource between segment:

– all assets are allocated to operating segments other than unallocated corporate assets, bank balances and cash, pledged bank deposits and tax recoverable;

– all liabilities are allocated to operating segments other than unallocated corporate liabilities, promissory notes, convertible bonds, tax payable and deferred taxation.

4. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Continuing operations		
Bank interest income	**10**	93
Others	**58**	12
	68	105

5. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Continuing operations		
Net foreign exchange (loss) gain	**(1,521)**	345
Fair value loss on investment of an associate measured at FVTPL	**–**	(1,129)
Fair value gain on investment properties	**596**	16,117
Fair value gain on financial assets measured at FVTPL *(note)*	**169,064**	21,622
Cost of settlement of financial liabilities	**(6,883)**	–
	161,256	36,955

Note: Details of fair value measurement on financial assets at FVTPL are set out in note 24.

6. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Continuing operations		
Interests on bank and other borrowings	**12,436**	15,091
Interest on loan from a shareholder	**1,848**	339
Interest on loan from a non-controlling member of a subsidiary	**551**	523
Interest on promissory notes	**344**	1,091
Loan arrangement fee	**21**	106
Interest on lease liabilities	**53**	68
Imputed interest on promissory notes	**2,113**	–
Effective interest expense on convertible bonds	**3,600**	–
	20,966	17,218

7. TAXATION

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Continuing operations		
Current tax charge:		
Hong Kong	**23**	47
Deferred taxation	**(512)**	(162)
	(489)	(115)

8. DISCONTINUED OPERATION

On 28 April 2025, the Group announced that the Directors resolved to cease the Group's Maserati dealership business in the PRC in the Car Segment. The termination was effective on 11 August 2025 and accordingly, the Group's Maserati business has been presented as discontinued operation.

The results for the interim period from the discontinued business were set out in condensed consolidated statement of profit or loss on page 34.

9. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Continuing operations		
Rental income from investment properties	**14,746**	13,238
Less: direct operating expense	**(2,561)**	(3,820)
	12,185	9,418
Depreciation of property, plant and equipment	**591**	402
Depreciation of right-of-use assets	**1,064**	792
Amortisation of intangible assets	**–**	1,608
Cost of inventories recognised as expense	**10,156**	4,818

10. EARNINGS PER SHARE

From continuing operations

The calculation of the basic and diluted earnings per share from continuing operations attributable to owners of the Company is based on the following data:

Earnings figures are calculated as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Profit for the period attributable to owners of the Company (from continuing and discontinued operations)	**137,969**	8,425
Less: Loss for the period from discontinued operations	**95**	1,671
Profit for the period for the purpose of calculating basic earnings per share from continuing operations	**138,064**	10,096
Effect of dilutive ordinary shares:		
Interest on convertible bonds (net of income tax)	**3,006**	–
Earnings for the purpose of diluted earnings per share from continuing operations	**141,070**	10,096

10. EARNINGS PER SHARE *(Continued)*

Number of shares

	Six months ended 30 June	
	2026	2025
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**5,326,769,534**	5,292,515,390
Effect of dilutive potential ordinary shares:		
Options	**–**	13,179,635
Convertible bonds	**199,057,524**	–
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**5,525,827,058**	5,305,695,025

The computation of basic earnings per share for the six months ended 30 June 2026 and 2025 does not include contingently returnable shares of 800,000,000 shares relating to the acquisition of Hudson Holding Limited which is subject to recall. The computation of diluted earnings per share for the six months ended 30 June 2026 and 2025 also does not include those shares as the relevant conditions have not been met as of 30 June 2026 and 2025.

For the six months ended 30 June 2026, the computation of diluted earnings per share did not assume the exercise of the Company's share options because the share options have expired and lapsed.

For the six months ended 30 June 2026, basic and diluted loss per share for the discontinued operation is HK0.00 cents per share (six months ended 30 June 2025: HK0.03 cents), based on the loss for the period from the discontinued operation of approximately HK$95,000 (six months ended 30 June 2025: HK$1,671,000) and the denominators detailed above for both basic and diluted loss per share.

11. DIVIDEND

No dividend was paid or declared during the six months ended 30 June 2026 and 2025 nor has any dividend been proposed since the end of the reporting period.

12. INVESTMENT PROPERTIES

	HK$'000
Fair value	
At 1 January 2025	455,605
Unrealised fair value gain, net	15,727
Exchange realignment	32,909
At 31 December 2025	**504,241**
Unrealised fair value gain, net	**596**
Exchange realignment	**(4,249)**
At 30 June 2026	**500,588**

12. INVESTMENT PROPERTIES *(Continued)*

The investment properties comprised an industrial building and a car park located in Hong Kong and an office building located in Scotland.

The fair value of the Group's investment properties as at 30 June 2026 has been arrived at on the basis of a valuation carried out by Roma Appraisals Limited (31 December 2025: BonVision International Appraisals Limited), an independent qualified professional valuer not connected to the Group.

The fair value of the investment properties located in Hong Kong was under Level 3 of fair value hierarchy based on direct comparison method making reference to market observable transactions of similar properties and adjusted to reflect the locations and conditions of the subject properties.

The fair values of the investment properties located in Scotland was under level 3 of fair value hierarchy and have been arrived at by income approach which is capitalising net rental income on a fully leased basis. Current passing rental income from existing tenancies and the potential future reversionary income at market levels, which are expected to be re-leased at market rental rates, are capitalised by the term yield and the reversionary yield, respectively.

There has been no change from the valuation technique used in prior year. In estimating the fair value of the investment properties, the highest and best use of the properties is their current use. The fair values of investment properties have been adjusted to exclude accrued lease income to avoid double counting.

13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group spent HK$157,000 (six months ended 30 June 2025: HK$6,004,000) on the acquisition of property, plant and equipment. The Group disposed of certain plant and machinery with an aggregate carrying amount of HK$322,000 (six months ended 30 June 2025: HK$717,000) for cash proceeds of HK$287,000 (six months ended 30 June 2025: HK$688,000), resulting in a loss on disposal of HK$35,000 (six months ended 30 June 2025: HK$29,000).

14. FINANCIAL ASSET AT FVTPL

As at 30 June 2026 and 31 December 2025, the financial asset at FVTPL consists of the contingent consideration receivables as part of the deal to acquire the Hudson Holding Limited and its subsidiaries ("**Hudson Group**") in 2024 (details refer to note 34 in the 2024 annual report).

As at 30 June 2026, the estimated fair value of the contingent consideration receivables amounted to HK$320,562,000 (At 31 December 2025: 151,498,000). The management of the Group is still in the process of negotiating the final consideration. For the six months ended 30 June 2026, a fair value gain of the contingent consideration receivables of HK$169,064,000 (six months ended 30 June 2025: HK$20,979,000) has been recognised in the condensed consolidated statement of profit or loss for the period. The gain primarily driven by the appreciation of the share price of the estimated shares to be received.

15. TRADE AND OTHER RECEIVABLES

	At 30 June 2026 HK$'000 (unaudited)	At 31 December 2025 HK$'000 (audited)
Trade receivables from contracts with customers	**479**	1,681
Rent receivables	**8,733**	7,204
	9,212	8,885
Utility and rental deposits	**4,707**	1,877
Value-added tax receivables	**1,711**	2,564
Prepayment	**5,896**	9,188
Receivables from disposal of financial assets at FVTPL	**–**	52,471
Other receivables	**202**	325
	21,728	75,310
Less: Amount due more than one year shown under non-current assets	**(6,854)**	(5,074)
Amount shown under current assets	**14,874**	70,236

Trade receivables from contracts with customers

The following is an ageing analysis of trade receivables based on the invoice dates at the end of the reporting period:

	At 30 June 2026 HK$'000 (unaudited)	At 31 December 2025 HK$'000 (audited)
Within 30 days	**–**	633
31-60 days	**–**	204
61-90 days	**–**	844
Over 90 days	**479**	–
	479	1,681

15. TRADE AND OTHER RECEIVABLES *(Continued)*

Rent receivables

The Group's rental income is based on effective accrued rentals after taking into account of the rent free period which is recognised under straight line method and initially recorded as rent receivables. Rental income is received from tenants in Scotland and in Hong Kong on a quarterly basis and monthly basis, respectively. Included in the Group's rent receivables as at 30 June 2026 are (i) accrued rent receivables of HK$8,225,000 over the rent free periods (At 31 December 2025: HK$6,508,000); (ii) lease incentives paid of HK$508,000 (At 31 December 2025: HK$696,000) represent amount of rent incentives granted to tenants, which are to be recovered through future rental income. The amounts that are expected to be realised after twelve months after the reporting period are presented as non-current assets.

The Group allows its customers a credit period from 0 to 90 days. At 30 June 2026, included in the Group's trade receivable balances are debtors with aggregate carrying amount of HK$479,000 (At 31 December 2025: nil) which are past due as at reporting date.

16. TRADE AND OTHER PAYABLES

	At 30 June 2026 HK$'000 (unaudited)	At 31 December 2025 HK$'000 (audited)
Trade payables	**1,867**	5,972
Accrued charges	**3,799**	5,049
Receipt in advance for rental income	**8,416**	7,524
Other payables	**29,617**	16,775
Payable in relation to disposal of financial assets at FVTPL	**23,712**	22,816
	67,411	58,136

16. TRADE AND OTHER PAYABLES *(Continued)*

The following is an ageing analysis of trade payables, presented based on invoice date, at the end of the reporting period:

	At 30 June 2026 HK$'000 (unaudited)	At 31 December 2025 HK$'000 (audited)
Within 30 days	**403**	5,326
31 to 60 days	**173**	1
61 days to 90 days	**709**	141
91 days to 1 year	**533**	473
Over 1 year	**49**	31
	1,867	5,972

17. OTHER BORROWINGS

During the current interim period, the Group obtained other borrowings amounting to HK$3,577,000 (for the six months ended 30 June 2025: HK$8,198,000). The new other borrowings carries interest with ranging between 3.85%-9% (for the six months ended 30 June 2025: 3.85% to 9%) per annum with maturity date ranging between 15 January 2028 to 2 February 2029 (for the six months ended 30 June 2025: 15 January 2028 to 16 April 2028). During the six months ended 30 June 2026, the Group repaid other borrowing of HK$21,676,000 and settled other borrowing of HK$63,795,000 through the issuance of convertible bonds (note 18) (for the six months ended 30 June 2025: repaid other borrowings of HK$20,125,000).

18. CONVERTIBLE BONDS

On 26 February 2026, the Company issued 3% convertible bonds at an aggregate principal amount of HK$98,000,000. The convertible bonds were used to settle other borrowings and promissory notes of HK$63,795,000 and HK$34,205,000 respectively.

The convertible bonds are denominated in Hong Kong dollars. The bonds entitle the holders to convert them into ordinary shares of the Company at any time between the date of issue of the bonds and their settlement date on 26 February 2029 at a conversion price of HK$0.34 per convertible bond (subject to anti-dilutive adjustments). If the bonds have not been converted or redeemed, they will be redeemed on 26 February 2029 at par. Interest of 3% will be paid at the maturity date.

At initial recognition, the equity component of the convertible bonds was separated from the liability component. The equity element is presented in equity heading “convertible bonds equity reserve”. The early redemption option is considered as closely related to the host debt. The effective interest rate of the liability component is 16.53%.

The movement of the liability component of the convertible bonds for the period/year is set out below:

	At 30 June 2026 HK$'000 (unaudited)	At 31 December 2025 HK$'000 (audited)
Carrying amount at beginning of the period/year	**–**	–
Addition	**67,485**	–
Interest charged (note 6)	**3,600**	–
Carrying amount at the end of the period/year	**71,085**	–

19. LOAN FROM A RELATED PARTY/A SHAREHOLDER

The loan from a related party is unsecured and interest-free with maturity date on 12 February 2026. The loan has been repaid in the current period.

The loan from a shareholder is unsecured and carries interest at 7% per annum with maturity date on 7 April 2028.

20. PROMISSORY NOTES

On 29 October 2024, the Group issued promissory notes of fair value of HK$45,834,000 as part of the consideration to acquire the equity interest in Hudson Holding Limited. The promissory notes are not transferable and have a maturity date of three years since issuance and do not carry interest.

On 25 March 2021, the Group issued unsecured promissory notes amounting to HK$53,500,000 in Hong Kong to acquire additional equity interest of 27.49% in Dakota RE II Limited. The unsecured promissory note has initial maturity of three years, with a first extension of two years and a further extension of another two years until March 2028 and carries interest at 8% per annum. As disclosed in note 18, the promissory notes were settled through the issuance of the convertible bonds.

21. SHARE CAPITAL

	Number of shares	Share capital HK$'000
Ordinary shares of HK$0.02 each:		
Authorised		
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	17,500,000,000	350,000
Issued and fully paid		
At 1 January 2025, 30 June 2025 and 1 January 2026	6,092,515,390	121,850
Issue of shares upon placing *(Note)*	50,000,000	1,000
At 30 June 2026	6,142,515,390	122,850

Note: *On 26 February 2026, the Company allotted 50,000,000 ordinary shares of HK$0.02 each by placing to not less than six placees at a placing price of HK$0.30 per share. The Company raised HK$14,360,000 (net of expenses) from placing of shares.*

22. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in these condensed consolidated financial statements, the Group had the following related party transactions during the period:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Sales of automobiles to non-controlling shareholders of a subsidiary *(Note)*	**–**	67
Legal and professional expense paid to a shareholder	**90**	90
Interest on loan from a shareholder	**1,848**	339

Note: Automobiles represent cars and auto parts.

Compensation of key management personnel

The remuneration of key management personnel of the Group during the period is as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Key management personnel compensation *(Note)*	**3,539**	3,632

Note: The remuneration of key management personnel during the period was determined by the Directors having regard to the performance of individuals and market trends.

23. SHARE-BASED PAYMENTS

The Company has a share scheme (the "**Share Scheme**") which was adopted by the Company at the special general meeting of the Company held on 20 May 2026 whereby the Directors are authorised, at their discretion, to provide director(s) and employee(s) (including full-time and part-time employees of the Group an opportunity to acquire shareholding interests in the Company through issuance of share options or share awards (the "**Award(s)**") as incentives and rewards for their contribution to the Group.

The Share Scheme shall be valid and effective for a period of ten years ending on 20 May 2036, after which no further Awards will be granted.

The total number of the shares of the Company available for issue under the Share Scheme as at 30 June 2026 was 614,251,539. The maximum number of shares issuable under Awards to each eligible participant in the Share Scheme within any 12-month period was limited to 1% of the shares of the Company in issue at any time. Any further grant of Awards in excess of this limit is subject to shareholders' approval in a general meeting.

Under the Share Scheme, Awards granted to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors (the "**INED**"). In addition, any Awards granted to a substantial shareholder or an INED of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time, within any 12-month period, are subject to shareholders' approval in advance in a general meeting. Also, any share awards granted (excluding share options) to a Director (excluding INED), chief executive or substantial shareholder of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

23. SHARE-BASED PAYMENTS *(Continued)*

The Board may determine in their absolute discretion the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the award letter. Such amount will either be HK$1.0 or nil. Unless otherwise specified in the award letter, the grantee shall have 21 business days from the grant date of the Award to accept the Award, following which, the portion not accepted by the grantee shall automatically lapse. The exercise price of the share options is determined by the Board of Directors at its sole discretion, save that such price will not be less than the higher of (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of the share options; and (b) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the share options. The issue price for the share awards shall be determined on an individual basis for each of the grantee by the Directors, taking into account the purpose of the Share Scheme, the interests of the Company and the individual circumstances of each grantee.

During the six months ended 30 June 2026 and 2025, the Group did not recognise any expense in relation to share options granted by the Company.

24. FINANCIAL INSTRUMENTS

Fair value measurements of financial instruments

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Fair value hierarchy

Financial assets	Fair values at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	30 June 2026 HK$'000	31 December 2025 HK$'000			
Financial assets at FVTPL – contingent consideration receivable	**320,562**	151,498	Level 1	Market price of the Company	N/A

24. FINANCIAL INSTRUMENTS *(Continued)*

Fair value measurements of financial instruments *(Continued)*

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

25. CAPITAL COMMITMENT

	At 30 June 2026 HK$'000 (unaudited)	At 31 December 2025 HK$'000 (audited)
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	**6,213**	7,183