

Interim Report

TONGDA GROUP HOLDINGS LIMITED

2025

Incorporated in the Cayman Islands with limited liability
Stock Code: 698

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Ya Nan (*Chairman*)
Mr. Wang Hung Man (*Vice Chairman*)
Mr. Wong Ming Sik
Mr. Wong Ming Yuet
Mr. Hui Wai Man

Non-executive Director

Ms. Chan Sze Man

Independent Non-executive Directors

Dr. Yu Sun Say, *GBM, GBS, SBS, JP*
Mr. Cheung Wah Fung, Christopher,
GBS, SBS, JP
Mr. Ting Leung Huel Stephen,
MH, FCCA, FCPA (PRACTISING), ACA,
CTA (HK), FHKIoD
Mr. Sze Irons, *GBS, BBS, JP*

AUDIT COMMITTEE

Mr. Ting Leung Huel Stephen
(*Chairman*)
Dr. Yu Sun Say
Mr. Cheung Wah Fung, Christopher
Ms. Chan Sze Man

REMUNERATION COMMITTEE

Mr. Ting Leung Huel Stephen
(*Chairman*)
Mr. Wang Ya Nan
Dr. Yu Sun Say
Mr. Cheung Wah Fung, Christopher

NOMINATION COMMITTEE

Mr. Wang Ya Nan (*Chairman*)
Dr. Yu Sun Say
Mr. Cheung Wah Fung, Christopher
Mr. Ting Leung Huel Stephen
Ms. Chan Sze Man

COMPANY SECRETARY

Mr. Chan Paan Paan

AUDITOR

D & Partners CPA Limited
Public Interest Entity Auditor
registered in accordance with the
Accounting and Financial Reporting
Council Ordinance
2201, 22/F., West Exchange Tower
322 Des Voeux Road Central
Sheung Wan, Hong Kong

AUTHORISED REPRESENTATIVES

Mr. Wang Hung Man
Mr. Chan Paan Paan

PRINCIPAL BANKERS

In Hong Kong:
Hang Seng Bank Limited
The Bank of East Asia
Bank of China (Hong Kong) Limited

In the PRC:
Bank of China Limited
Industrial Bank
Industrial Commercial Bank of China
China Construction Bank Corporation
China Merchant Bank

LEGAL ADVISERS

As to Hong Kong laws:

CLKW Lawyers LLP

As to PRC laws:

DeHeng Law Offices (Xiamen)

As to Cayman Islands laws:

Conyers Dill & Pearman, Cayman

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Cayman Islands

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LISTING INFORMATION

Listed on the Hong Kong Stock

Exchange (Main Board)

Stock short name: Tongda Group

Stock code: 698

Board lot: 10,000 shares

HONG KONG BRANCH SHARE REGISTRAR

Union Registrars Limited

Suites 3301-04, 33/F

Two Chinachem Exchange Square

338 King's Road

North Point, Hong Kong

PRINCIPAL SHARE REGISTRAR

Royal Bank of Canada Trust Company

(Cayman) Limited

4th Floor, Royal Bank House

24 Shedden Road

George Town

Grand Cayman KY1-1110

Cayman Islands

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Interim Report 2025 contains certain forward-looking statements with respect to the financial conditions, results of operations and business of Tongda Group Holdings Limited (the “Company”, and together with its subsidiaries the “Group”). These forward-looking statements represent the Group’s expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Certain statements, that include wordings like “potential”, “estimated”, “expects”, “anticipates”, “objective”, “intends”, “plans”, “believes”, “estimates”, and similar expressions or variations on such expressions may be considered “forward-looking statements”.

Forward-looking statements involve inherent risks and uncertainties. Readers should be cautioned that a number of factors could cause actual results to differ in some instances materially, from those anticipated or implied in any forward-looking statement. Forward-looking statements speak only at the date they are made, and it should not be assumed that they have been reviewed or updated in the light of new information or future events. Trends and factors that are expected to affect the Group’s results of operations are described in the section headed “Management Discussion and Analysis” below.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the six months ended 30 June 2025 (the “Period”), the Group’s total revenue was HK\$2,483.2 million, representing a decrease of HK\$502.8 million or 16.8%, from HK\$2,986.0 million in the corresponding period last year. Profit attributable to owners of the Company increased from approximately HK\$12.8 million in the corresponding period last year by 395.3% or HK\$50.6 million to approximately HK\$63.4 million for the Period.

Revenue

The Group’s revenue decreased by approximately 16.8%, from approximately HK\$2,986.0 million in the corresponding period last year to approximately HK\$2,483.2 million for the Period. The decrease was primarily attributable to the deconsolidation of the revenue and results of the high-precision components business on 3 April 2024 (the “Closing Date”) following its disposal. Excluding the sales contribution of this disposed business in the corresponding period last year, revenue of the Group for the Period would only decrease slightly by approximately 0.5% year-on-year when compared with the adjusted revenue in the corresponding period last year.

Gross Profit and Margin

The Group’s gross profit decreased by approximately 41.8%, from approximately HK\$624.8 million in the corresponding period last year to approximately HK\$363.4 million for the Period. The Group’s gross profit margin was approximately 14.6% for the Period, which was approximately 6.3 percentage points lower than that in the corresponding period last year of approximately 20.9%.

Apart from the impact of intense market competition, the disposal of high-precision components business, which was high-margin business, led to the decline in both gross profit and gross profit margin of the Group for the Period when compared to the corresponding period last year. The revenue and earnings of this disposed business ceased to consolidate into the consolidated financial statements of the Group since the Closing Date. However, the impairment of fixed assets performed at end of 2024 resulted in a substantial decrease in depreciation expenses for the Period, which partially offset the reduction in gross profit and margin.

Other income and gains, net

Other income and gains, net increased by approximately 5.2% or approximately HK\$3.7 million from approximately HK\$70.6 million in the corresponding period last year to approximately HK\$74.3 million for the Period mainly because the increase in rental income from the disposed high-precision components business where the Group leased certain plants to the disposed business since the Closing Date. The increase in other income and gains, net was partially reduced by the decrease in interest income earned during the Period when compared to the corresponding period last year.

Selling and distribution expenses

Selling and distribution expenses decreased by approximately 21.4% or approximately HK\$6.9 million from approximately HK\$32.2 million in the corresponding period last year to approximately HK\$25.3 million for the Period, accounting for approximately 1.0% of the Group's revenue, which is similar to the corresponding period last year of 1.1%. The decrease was in line with the decrease in turnover of the Group.

General and administrative expenses

General and administrative expenses decreased by approximately 52.8% or approximately HK\$346.1 million from approximately HK\$655.5 million in the corresponding period last year to approximately HK\$309.4 million for the Period, accounting for approximately 12.5% of the Group's revenue, which was approximately 9.5 percentage points lower than that in the corresponding period last year of 22.0%.

The decrease in general and administrative expenses was mainly due to the decrease in the research and development (the “R&D”) expenses for the Period. Following the completion of the disposal of the high-precision components business on the Closing Date, the Group ceased to incur any R&D expenditures related to this business thereafter. Coupled with the Group’s disciplined development strategy focusing R&D resources on its core businesses, and the new materials and products developed at clients’ request last year have commenced gradual rollout. These factors collectively contributed to a substantial decrease in the Group’s R&D costs for the Period when compared to the same period last year.

In addition, the Group’s early repayment of a significant portion of long-term bank loans in 2024 led to significant decrease in bank charges for the Period when compared to the same period last year.

Other operating income/(expenses), net

The Group recorded net other operating income of approximately HK\$14.6 million for the Period, compared with net other operating expenses of approximately HK\$16.2 million in the corresponding period last year mainly as a result of the exchange gain of HK\$26.6 million recorded during the Period, where exchange loss of HK\$11.5 million was recorded in the corresponding period last year.

Finance costs

Finance costs decreased by approximately 66.1% or approximately HK\$49.6 million from approximately HK\$75.0 million in the corresponding period last year to approximately HK\$25.4 million for the Period. The decrease was mainly because of the early repayment of a significant portion of long-term bank loans by the Group in 2024, which led to significant decrease in finance costs for the Period when compared to the corresponding period last year.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group derives its working capital mainly from cash on hand, net cash generated from operating activities and interest-bearing bank and other borrowings. The Board expects that the Group will rely on net cash generated from operating activities, interest-bearing bank and other borrowings and equity financing, if considered as appropriate by the management of the Company, to meet its working capital and other capital expenditure requirements. There were no change in the funding and financial policies of the Group for the six months ended 30 June 2025.

As at 30 June 2025, the Group has cash and cash equivalents of HK\$1,629.3 million (including time deposits, structured deposits, bank deposits, pledged bank deposits, and cash) (31 December 2024: HK\$1,615.7 million), of which HK\$264.1 million (31 December 2024: HK\$249.5 million) has been pledged to banks as security for trade financing granted.

As at 30 June 2025, 76.9% (31 December 2024: 81.5%) of the Group's cash and bank balances was denominated in Renminbi ("RMB"), 11.5% (31 December 2024: 6.0%) was denominated in United States dollars ("US Dollars") and 11.6% (31 December 2024: 12.5%) was denominated in other currencies (mainly Hong Kong dollars).

As at 30 June 2025, the Group had total assets of HK\$7,151.3 million (31 December 2024: HK\$7,154.2 million), net current assets of HK\$961.7 million (31 December 2024: HK\$777.3 million) and equity of HK\$3,055.1 million (31 December 2024: HK\$2,904.8 million).

CAPITAL EXPENDITURE

The total capital expenditure incurred for the Period was HK\$88.3 million (31 December 2024: HK\$454.0 million), which was mainly for the additions of property, plant and equipment for expansion of its household and sports goods segment.

TREASURY POLICY

The Group's sales were principally denominated in RMB and US dollars while purchases were principally transacted in RMB. The Group will continue to monitor its overall foreign exchange exposure and interest rate exposure, and consider hedging against the exposure should the need arises.

CHARGES ON GROUP ASSETS

The Group has pledged 1) bank deposits amounting to HK\$264.1 million (31 December 2024: HK\$249.5 million); 2) the Group's leasehold building and the related right-of-use assets in Hong Kong and Mainland China with carrying amount of approximately HK\$646.9 million (31 December 2024: HK\$569.7 million) and 3) 17.2 million issued shares (31 December 2024: 17.2 million) of Tongda Smart Tech (Xiamen) Co., Limited ("Tongda Chuang Zhi"), a non-wholly owned subsidiary of the Group, whose shares were listed on the Main Board of Shenzhen Stock Exchange (stock code: SZ001368). Save as disclosed above, the Group had not pledged its assets to any financial institutions.

HUMAN RESOURCES

As at 30 June 2025, the Group employed a total of approximately 9,000 (30 June 2024: 10,000) permanent employees in Hong Kong and the PRC. The total salaries and wages for the six months ended 30 June 2025 amounted to HK\$561.3 million (30 June 2024: HK\$666.8 million).

The Group offers remuneration packages for employees mainly based on their performance and experiences, and with reference to prevailing industry practices. In addition to enrolling our new employees into the mandatory provident fund scheme in Hong Kong and state-managed pension scheme in Mainland China and making contributions for them on a periodic basis, the Group also provides medical coverage, internal and external training programs and grants share awards and discretionary bonuses to employees based on employees' individual performance and the Group's overall performance. The Group reviews the remuneration policies and packages on a regular basis.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

On 22 December 2023, Tongda Precision Technology Company Limited, a wholly-owned subsidiary of the Company as a seller, an independent third party as a purchaser, and the Company as the guarantor, entered into a business transfer agreement whereby the Group agreed to dispose of the business of manufacturing high-precision micro components as currently conducted by the Group for a consideration of HK\$2,015,000,000. The disposal was completed on 3 April 2024.

On 22 December 2023, Tongda Intelligence (BVI) Co Limited, an indirect wholly-owned subsidiary of the Company, as the purchaser, and Tongda Group (Asia) Limited, as the vendor, entered into the sale and purchase agreement, pursuant to which the purchaser has conditionally agreed to purchase, and the vendor has conditionally agreed to sell all issued shares of Credence Technology Limited, a company incorporated in the British Virgin Islands with limited liability, at the consideration of HK\$60,000,000, subject to the terms and conditions as set out in the sale and purchase agreement. The vendor is owned as to 25% each by Mr. Wang Ya Nan, Mr. Wang Ya Hua, Mr. Wong Ah Yu and Mr. Wong Ah Yeung, being controlling shareholders and connected persons of the Company. The acquisition was completed on 3 January 2024.

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

GEARING RATIO AND INDEBTEDNESS

As at 30 June 2025, the gearing ratio of the Group (consolidated net debt (includes interest-bearing bank and other borrowings, less cash and cash equivalents, pledged deposits, structured deposits, fund investments and time deposits)/total equity) was N/A (31 December 2024: N/A).

As at 30 June 2025, other than the non-current portion of bank borrowings of HK\$448.8 million (31 December 2024: HK\$432.4 million), the Group had bank and other borrowings of HK\$661.3 million (31 December 2024: HK\$548.0 million) which will be repayable within one year from the end of the Period. The bank and other borrowings were denominated in RMB and Hong Kong dollars.

Bank borrowings carry interest rate ranging from 1.8% per annum (“p.a.”) to 7.0% p.a. (31 December 2024: from 1.8% p.a. to 7.9% p.a.).

BUSINESS REVIEW

As a leading global solutions provider of high-precision structural components for smart mobile communications and consumer products, the Group provides one-stop solution to customers, starting from product design, R&D to manufacturing. Our products mainly cover handset casings, panels for smart electrical appliances, network communications facilities, and household and sports goods.

Following the completion of the disposal of the high-precision components business on the Closing Date, the Group has ceased to consolidate the revenue from this business into its consolidated financial statements thereafter. Affected by this business adjustment, the Group's revenue was approximately HK\$2,483.2 million for the Period, representing approximately 16.8% decrease from HK\$2,986.0 million in the corresponding period last year. However, when excluding the revenue contribution from the disposed high-precision components business from the total revenue for the corresponding period last year, the Group's revenue for the Period slightly decreased by 0.5% compared to the adjusted revenue for the corresponding period last year.

The profit attributable to owners of the Company was HK\$63.4 million for the Period, representing an increase of approximately 395.3% compared with HK\$12.8 million for the corresponding period last year. The increase in profit is mainly due to:

- (i) the early repayment of a significant portion of long-term bank loans by the Group in 2024, which led to significant decrease in finance costs and bank charges for the Period when compared to the corresponding period last year;
- (ii) following the completion of the disposal of the high-precision components business on the Closing Date, the Group ceased to incur any R&D expenditures related to this business. Coupled with the Group's disciplined development strategy focusing R&D resources on its core businesses, and the new materials and products developed at clients' request last year have commenced gradual rollout. These factors collectively contributed to a substantial decrease in the Group's R&D costs for the Period when compared to the corresponding period last year; and
- (iii) despite the impact of intense market competition, the disposal of high-precision components business, which was a high margin business, has led to the decline in both gross profit and gross profit margin of the Group for the Period when compared to the corresponding period last year. The revenue and earnings of this disposed business ceased to be consolidated into the consolidated financial statements of the Group since the Closing Date. However, the impairment of fixed assets performed at end of 2024 resulted in a substantial decrease in depreciation expenses for the Period, which partially offset the reduction in gross profit and margin.

The increase in profit for the Period was partially offset by the absence of a one-off net gain of approximately HK\$146.4 million from the disposal of the high-precision components business recorded by the Group during the corresponding period last year, whereas no gain of this nature was recorded for the Period.

BUSINESS SEGMENTS

The Group is organised into business units based on their products and services and has two reportable segments:

(a) Consumer Electronics Structural Components

consists of manufacturing of components of handset casings and high-precision components, panels for smart electrical appliances, network communications facilities and other electrical consumer products.

(b) Household and Sports Goods

consists of durable household goods, household utensils and sports goods.

Consumer Electronics Structural Components

This segment recorded sales of approximately HK\$1,902.8 million for the Period, accounting for approximately 76.6% of the Group's total revenue, representing a 23.2% decrease compared to approximately HK\$2,478.5 million in the corresponding period last year. Excluding the sales contribution from the disposed high-precision components business in the corresponding period last year, the segment's revenue for the Period decreased by 4.3% against the adjusted revenue in the corresponding period last year.

According to IDC's analytical report, China's smartphone market registered shipments of 140 million units during the Period, reflecting a year-on-year decline of 0.6%. Recent adverse factors—including tariff volatility, currency fluctuations, rising unemployment in multiple countries, and regional inflation—have suppressed consumer willingness to upgrade devices and related expenditures. The impact has been particularly pronounced in the entry-level and low-end smartphone segments, where economic uncertainties have more significantly dampened overall market growth momentum.

Recognising that smartphone market recovery will require further time, during the Period, the Group actively deployed operational capital and human resources released from the disposal of the high-precision components business, focused on integrating and optimising existing business operations spanning smartphone casings, smart appliance enclosures, and networking equipment.

The Group's smart electrical appliances business primarily supplies domestic brands with electrical control panels, metal components, and housings. The network communications facilities business produces casings and precision components for wireless routers and other networking products for prominent brands in Europe, America, and China. Notably, the Group's newly established networking equipment facility in Vietnam commenced production during the Period to accommodate overseas client demand. Despite intense market competition, the Group continues to enhance production capacity utilisation and customer loyalty through technological innovation and close collaboration with core clients.

Household and Sports Goods

This business segment recorded sales of approximately HK\$580.4 million during the Period, representing a 14.4% increase from HK\$507.5 million in the corresponding period last year and accounting for approximately 23.4% of the Group's total revenue. The division primarily manufactures household durable goods, home tools, sporting goods, and health care products for established international brands in Europe and America. During the Period, it actively expanded its client portfolio by securing new contracts with globally leading brands across specialised sectors while deepening relationships with core customers, establishing new business partnerships with multiple mega-sized consumer brand clients. Concurrently, the segment advanced its international manufacturing footprint through the newly operational Industry 4.0 facility in Malaysia. This strategic initiative has significantly enhanced production efficiency to meet growing customer demand.

The percentages of total revenue by product category for the Period and a comparison with the corresponding period last year are as follows:

	2025	2024
i. Consumer electronics structural components	76.6%	83.0%
ii. Household and sports goods	23.4%	17.0%

PROSPECTS

Following the successful completion of its business restructuring, the Group has achieved sustained improvement in its balance sheet structure, establishing a robust foundation for future sustainable development. Despite persistent global economic headwinds, the Group's stable financial position, ample liquidity, and agile operational strategies position it to capitalise on emerging opportunities and propel business growth into a new phase.

In the smartphone sector, as smartphone brands increasingly prioritise practical applications and daily user experience in their technological innovations, generative AI has accelerated as a core driver enhancing device value. Although such functional innovations remain nascent, the Group has established longstanding, robust partnerships with multiple global smartphone leaders. Leveraging advanced technological capabilities and product innovation, we actively co-develop next-generation smartphone casings and accessories with clients, deepening collaborative ties and strengthening customer loyalty. This positions the Group to jointly capture the next wave of growth opportunities with our partners.

Concurrently, the Group continues optimising its product portfolio. While maintaining focus on mid-to-high-end segments, we pioneer applications of novel materials and advanced manufacturing processes to meet evolving consumer demands. Notably, our proprietary glass fiber composite casings are gaining traction among major brands—delivering premium aesthetics with ultra-light transparency while outperforming in impact resistance. This innovation aligns perfectly with market needs for casing materials that strike an optimal balance between strength and weight, particularly as brands adopt higher-capacity batteries.

The household and sports goods division is entering a prime growth phase, driven by continuous enhancement of our "Product Design + Smart Manufacturing" ecosystem and synergistic development of "Plastics + Metal Components" capabilities. Our competitive strength spans three key sectors: sports/outdoor equipment, home living products, and healthcare items—all benefiting from consumer premiumization trends and China's smart manufacturing advancement. Moreover, the relatively stable U.S. tariff policies toward Southeast Asia enhance predictability for orders fulfilled through our Malaysia and Vietnam facilities, creating further growth momentum for this division. Beyond maintaining close partnerships with existing mega-sized consumer brand clients in Europe and America, the Group is actively forging strategic alliances with additional global consumer brands to expand its geographic diversification. Capitalizing on our core competencies in material innovation and mold design, we are driving vertical integration across the supply chain. The newly established facilities are implementing precision manufacturing processes and intelligent transformation initiatives, enabling rapid business scaling and consolidation of our industry leadership position.

Through continuous optimisation of internal management, product quality enhancement, and production efficiency improvements, the Group has effectively maintained market share while boosting capacity utilisation, generating stable momentum for cash flow. Looking ahead, management will monitor market dynamics vigilantly and deepen collaborative ties with core clients. The Group will also leverage innovative technologies and leading-edge processes to further expand into promising business areas and enhance its involvement in new product development. Through efficient customer engagement, precise resource allocation, and continuously optimised manufacturing processes, the Group will fully leverage its R&D and manufacturing strengths to drive sustained long-term growth, unlock asset value, and address future challenges.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS



TO THE BOARD OF DIRECTORS OF TONGDA GROUP HOLDINGS LIMITED
(Incorporated in Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated interim financial statements of Tongda Group Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 20 to 67, which comprises the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. 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”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated interim 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” issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated interim 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 interim financial statements are not prepared, in all material respects, in accordance with HKAS 34.

D & PARTNERS CPA LIMITED

Certified Public Accountants

Hong Kong
22 August 2025

CONDENSED CONSOLIDATED INCOME STATEMENT

		Unaudited Six months ended 30 June	
		2025	2024
	Notes	HK\$'000	HK\$'000
REVENUE	4	2,483,216	2,986,005
Cost of sales		(2,119,826)	(2,361,167)
Gross profit		363,390	624,838
Other income and gains, net		74,305	70,575
Selling and distribution expenses		(25,252)	(32,246)
General and administrative expenses		(309,410)	(655,541)
Net gain on disposal of subsidiaries	7(a)	–	146,420
Other operating income/(expenses), net		14,630	(16,205)
Finance costs		(25,413)	(75,001)
Share of losses of associates		–	(5,864)
PROFIT BEFORE TAX	5	92,250	56,976
Income tax expense	6	(8,665)	(20,680)
PROFIT FOR THE PERIOD		83,585	36,296
Attributable to:			
Owners of the Company		63,421	12,842
Non-controlling interests		20,164	23,454
		83,585	36,296
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	10		
– Basic		HK0.65 cents	HK0.13 cents
– Diluted		HK0.65 cents	HK0.13 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
PROFIT FOR THE PERIOD	83,585	36,296
OTHER COMPREHENSIVE EXPENSE		
Other comprehensive expense that will not be reclassified to profit or loss in subsequent periods:		
Loss on property revaluation	(4,708)	(3,871)
Deferred tax credited to the asset revaluation reserve	781	473
	(3,927)	(3,398)
Other comprehensive income/(expense) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations		
– subsidiaries	71,964	(189,640)
– associates	–	(2,025)
Release of exchange reserve upon disposal of subsidiaries	–	58,671
	71,964	(132,994)
OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD, NET OF TAX	68,037	(136,392)
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD	151,622	(100,096)
ATTRIBUTABLE TO:		
Owners of the Company	115,673	(107,868)
Non-controlling interests	35,949	7,772
	151,622	(100,096)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment	11	2,013,019	2,003,124
Right-of-use assets		358,089	346,910
Intangible assets	11	8,125	8,276
Investment properties		126,915	122,979
Long term deposits		50,764	44,067
Time deposits		124,829	171,156
Deferred tax assets		21,057	19,883
<hr/>			
Total non-current assets		2,702,798	2,716,395
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CURRENT ASSETS			
Inventories	12	655,299	713,839
Trade and bills receivables	13	2,092,168	2,118,531
Prepayments, deposits and other receivables		196,186	143,869
Amount due from a jointly-controlled entity		—	8,376
Tax recoverable		389	8,675
Financial assets at fair value through profit or loss ("FVTPL")	14	284,034	310,596
Time deposits		63,434	43,844
Pledged deposits		264,093	249,519
Cash and cash equivalents		892,935	840,592
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Total current assets		4,448,538	4,437,841
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		Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
	Notes		
CURRENT LIABILITIES			
Trade and bills payables	15	2,294,756	2,525,086
Accrued liabilities and other payables		431,306	488,532
Interest-bearing bank and other borrowings	16	661,298	547,963
Lease liabilities		4,882	1,992
Tax payable		94,578	96,945
Total current liabilities		3,486,820	3,660,518
NET CURRENT ASSETS		961,718	777,323
TOTAL ASSETS LESS CURRENT LIABILITIES			
		3,664,516	3,493,718
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings	16	448,829	432,394
Other payables		85,107	89,052
Lease liabilities		31,824	23,101
Deferred tax liabilities		43,609	44,328
Total non-current liabilities		609,369	588,875
Net assets		3,055,147	2,904,843

		Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
	Notes		
EQUITY			
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital	17	97,356	97,356
Reserves		2,631,517	2,508,162
		2,728,873	2,605,518
NON-CONTROLLING INTERESTS		326,274	299,325
Total equity		3,055,147	2,904,843

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited six months ended 30 June 2025
Attributable to owners of the Company

	Share capital HK\$'000	Share premium account HK\$'000	Share award reserve HK\$'000	Capital reserve HK\$'000	Asset revaluation reserve HK\$'000	Statutory reserve HK\$'000	Capital redemption reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
As at 1 January 2025	97,356	1,780,859	4,441	252,318	49,365	576,612	884	(687,735)	531,418	2,605,518	299,325	2,904,843
Profit for the period	-	-	-	-	-	-	-	-	63,421	63,421	20,164	83,585
Other comprehensive expense for the period:												
Loss on property revaluation	-	-	-	-	(3,927)	-	-	-	-	(3,927)	-	(3,927)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	56,179	-	56,179	15,785	71,964
Total comprehensive income for the period	-	-	-	-	(3,927)	-	-	56,179	63,421	115,673	35,949	151,622
Lapse of share award (note 18)	-	-	(4,441)	-	-	-	-	-	-	(4,441)	-	(4,441)
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	-	(6,070)	(6,070)
Restricted share award expense under share award scheme of a subsidiary, net (note 18)	-	-	-	8,954	-	-	-	239	-	9,193	-	9,193
Termination of share award under share award scheme of a subsidiary (note 18)	-	-	-	2,930	-	-	-	-	-	2,930	(2,930)	-
As at 30 June 2025	97,356	1,780,859*	-*	264,202*	45,438*	576,612*	884*	(631,317)*	594,839*	2,728,873	326,274	3,055,147

Unaudited six months ended 30 June 2024												
Attributable to owners of the Company												
	Share capital HK\$'000	Share premium account HK\$'000	Share award reserve HK\$'000	Capital reserve HK\$'000	Asset revaluation reserve HK\$'000	Statutory reserve HK\$'000	Capital redemption reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
As at 1 January 2024	97,356	1,780,859	3,484	260,545	40,964	633,203	884	(551,475)	4,417,004	6,682,824	320,672	7,003,496
Profit for the period	-	-	-	-	-	-	-	-	12,842	12,842	23,454	36,296
Other comprehensive expense for the period:												
Loss on property revaluation, net of tax	-	-	-	-	(3,398)	-	-	-	-	(3,398)	-	(3,398)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(175,983)	-	(175,983)	(15,682)	(191,665)
Release of exchange reserve upon disposal of subsidiaries	-	-	-	-	-	-	-	58,671	-	58,671	-	58,671
Total comprehensive expense for the period	-	-	-	-	(3,398)	-	-	(117,312)	12,842	(107,868)	7,772	(100,096)
Share award expense (note 18)	-	-	747	-	-	-	-	-	-	747	-	747
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	-	(33,865)	(33,865)
Restricted shares expense under share award scheme of a subsidiary, net (note 18)	-	-	-	3,749	-	-	-	773	-	4,522	2,066	6,588
Issuance of share award under share award scheme of a subsidiary (note 18)	-	-	-	(17,442)	-	-	-	-	-	(17,442)	17,442	-
Release of statutory reserve upon disposal of subsidiaries	-	-	-	-	-	(70,896)	-	-	70,896	-	-	-
As at 30 June 2024	97,356	1,780,859*	4,231*	246,852*	37,566*	562,307*	884*	(668,014)*	4,500,742*	6,562,783	314,087	6,876,870

* These reserve accounts comprise the consolidated reserves of HK\$2,631,517,000 (30 June 2024: HK\$6,465,427,000) in the consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
NET CASH GENERATED FROM OPERATING ACTIVITIES	4,367	521,602
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Interest received	7,337	16,717
Purchases of items of property, plant and equipment	(98,352)	(248,729)
Increase in other receivables	–	(9,788)
(Increase)/decrease in time deposits	26,737	(118,396)
Proceeds from disposal of items of property, plant and equipment	11,722	694
(Increase)/decrease in financial assets at FVTPL	40,414	(107,261)
Increase in long term deposits	(46,740)	(78,661)
Increase in pledged deposits	(14,574)	(163,745)
Proceeds from disposal of subsidiaries, net of tax	–	1,614,526
Net payment for acquisition of subsidiaries	–	(51,695)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	(73,456)	853,662
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
New bank loans	475,430	780,933
Repayment of bank loans	(373,494)	(2,882,787)
Repurchase of shares under share award schemes	(7,868)	(259)
Dividends paid to non-controlling shareholders of a subsidiary	(6,070)	(33,865)
Principal elements of lease payments	(1,780)	(6,305)
Consideration received from awarded shares grant under share award scheme of a subsidiary	–	26,944
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	86,218	(2,115,339)

	Unaudited six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	17,129	(740,075)
Cash and cash equivalents at beginning of period	840,592	1,160,490
Cash and bank balances attributable to subsidiaries held for sale at beginning of period	–	286,981
Effect of foreign exchange rate changes, net	35,214	(77,556)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	892,935	629,840
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the condensed consolidated statement of financial position and condensed consolidated statement of cash flows	892,935	629,840

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands.

The registered office address of the Company is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, Cayman Islands. The principal place of business of the Company and its subsidiaries is at room 1201-02, 12th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are manufacture and sale of components of handset casings and high-precision components, smart electrical appliances casings, household and sports goods and network communications facilities and others. There were no significant changes in the nature of the subsidiaries' principal activities during the Period.

2. BASIS OF PRESENTATION

The unaudited condensed consolidated interim financial statements (the "Interim Financial Statements") have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standards ("HKASs") No. 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2024.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKAS 21

Lack of Exchangeability

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking.

The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on these Interim Financial Statements.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable segments as follows:

- (a) the consumer electronics structural components segment consists of handset casings and high-precision components, panels for smart electrical appliances, network communications facilities and other electrical consumer products; and
- (b) the household and sports goods segment consists of durable household goods, household utensils and sports goods.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that other income and gains, net, corporate and other unallocated expenses, non-lease-related finance costs and share of losses of associates are excluded from such measurement.

Segment assets exclude deferred tax assets, tax recoverable, amount due from a jointly-controlled entity, pledged deposits, cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, tax payable, deferred tax liabilities as these liabilities are managed on a group basis.

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

	Consumer electronics structural components		Household and sports goods		Consolidated	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:						
Sales to external customers	1,902,809	2,478,496	580,407	507,509	2,483,216	2,986,005
Segment results before depreciation	107,597	366,670	82,816	80,833	190,413	447,503
Depreciation of property, plant and equipment	(94,253)	(297,018)	(29,154)	(22,174)	(123,407)	(319,192)
Depreciation of right-of-use assets	(5,542)	(5,873)	(2,044)	(1,903)	(7,586)	(7,776)
Amortisation of intangible assets	(380)	(389)	-	-	(380)	(389)
Segment results	7,422	63,390	51,618	56,756	59,040	120,146
Unallocated income					74,305	70,575
Corporate and other unallocated expenses					(16,555)	(53,834)
Finance costs (other than interest expenses on lease liabilities)					(24,540)	(74,047)
Share of losses of associates					-	(5,864)
Profit before tax					92,250	56,976
Income tax expense					(8,665)	(20,680)
Profit for the period					83,585	36,296

	Unaudited 30 June 2025		
	Consumer electronics structural components HK\$'000	Household and sports goods HK\$'000	Consolidated HK\$'000
Segment assets	4,372,703	1,600,159	5,972,862
Unallocated assets			1,178,474
Total assets			7,151,336
Segment liabilities	2,495,922	351,953	2,847,875
Unallocated liabilities			1,248,314
Total liabilities			4,096,189

	31 December 2024		
	Consumer electronics structural components HK\$'000	Household and sports goods HK\$'000	Consolidated HK\$'000
Segment assets	4,453,580	1,573,611	6,027,191
Unallocated assets			1,127,045
Total assets			7,154,236
Segment liabilities	2,750,254	377,509	3,127,763
Unallocated liabilities			1,121,630
Total liabilities			4,249,393

Geographical information

Unaudited										
Six months ended 30 June										
PRC*		Asia Pacific (excluding PRC)		United States		Others		Consolidated		
2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Revenue from customers										
Segment revenue:										
Sales to external customers [#]										
1,765,475	2,317,515	258,260	253,473	5,795	6,028	453,686	408,989	2,483,216	2,986,005	

The revenue information above is based on the locations of the customers.

* The People's Republic of China (the "PRC") including Hong Kong and Macau.

Sales to external customers include revenue from contracts with customers.

Information about major customers

Revenue from the following customers contributed over 10% of the total sales to the Group:

Unaudited Six months ended 30 June	
2025	2024
HK\$'000	HK\$'000
Customer A	N/A
Customer B	357,927
	357,927
	685,239

Revenues from Customer A and B were mainly derived from sales by the consumer electronics structural components segment, including sales to a group of entities which are known to be under common control of the respective customers.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Depreciation of property, plant and equipment	123,407	319,192
Depreciation of right-of-use assets	7,586	7,776
Amortisation of intangible assets	380	389
Research and development costs	120,473	372,080
Salaries and wages	561,299	666,761
Impairment of trade receivables	1,801	899
Reversal of impairment of trade receivables	(4,405)	(12)
Provision against inventories	5,680	3,398
Foreign exchange differences, net	(26,630)	11,541
Loss/(gain) on disposal/written-off of items of property, plant and equipment	(5,614)	1,914
Fair value loss/(gain) on investment properties	(430)	3,194
Interest income	(7,337)	(15,175)

6. INCOME TAX

Hong Kong Profits Tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the Period, except for Tongda Precision Technology Company Limited (“Tongda Precision Technology”), a wholly-owned subsidiary of the Company, which is a qualifying entity under the two-tier profits tax rates regime. The first HK\$2,000,000 of assessable profits of Tongda Precision Technology are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Pursuant to the Corporate Income Tax Law of the PRC being effective on 1 January 2008, the corporate income tax rate for all enterprises in Mainland China is 25%.

During the six months ended 30 June 2025 and 2024, certain subsidiaries of the Group were subject to a preferential tax rate of 15% under High New Technology Enterprises.

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Current – Hong Kong	323	3,287
Current – Elsewhere	10,017	20,377
Deferred	(1,675)	(2,984)
Total tax charge for the period	8,665	20,680

7. DISPOSAL OF SUBSIDIARIES

- (a) On 22 December 2023, Tongda Precision Technology Company Limited, a wholly-owned subsidiary of the Company as a seller (the “Seller”), an independent third party as a purchaser (the “Purchaser”), and the Company as the guarantor, entered into a business transfer agreement (the “BTA”) whereby the Group agreed to dispose of the business of manufacturing high-precision micro components (the “High Precision Business”) as currently conducted by the Group for a consideration of HK\$2,015,000,000 (the “High Precision Disposal”). The High Precision Disposal was completed on 3 April 2024 (the “Closing Date”). Further details of the disposal were set out in (i) the announcement dated 22 December 2023; (ii) the circular dated 19 February 2024; and (iii) the announcement dated 3 April 2024.

The followings were the assets and liabilities in respect of the “High Precision Business” and its subsidiaries at the Closing Date:

	HK\$'000
Net assets disposed of:	
Property, plant and equipment	734,867
Right-of-use assets	32,583
Inventories	698,991
Trade and other receivables, deposits and prepayments	908,960
Tax recoverable	8,580
Bank balances and cash	105,895
Lease liabilities	(31,701)
Trade and other payables	(732,277)
Bank borrowings	(117,115)
	<hr/>
	1,608,783
	<hr/>

Gain on disposal of subsidiaries

	HK\$'000
Consideration received	1,904,250
Cash consideration receivable included in other receivables (i)	110,750
Net assets disposed of	(1,608,783)
Release of exchange fluctuation reserve	(58,671)
Gain on disposal of subsidiaries	347,546
Transaction costs directly related to the disposal	(53,037)
Income tax expense	(148,089)
Net gain on disposal of subsidiaries	146,420
	Unaudited
	30 June 2024
	HK\$'000
Consideration received in cash and cash equivalents and receivable	2,015,000

Net cash inflow on disposal of subsidiaries

	Unaudited 30 June 2024 HK\$'000
Consideration received in cash and cash equivalents	1,904,250
Less:	
Cash and cash equivalents of subsidiary disposed of	(142,841)
Withholding tax paid	(146,883)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries, net of tax	1,614,526

- (i) Cash consideration of HK\$110,750,000 (the “Retention Amount”) to be received was included in prepayment, deposits and other receivables of the condensed consolidated statement of financial position as at 30 June 2024, which was transferred by the Purchaser to an escrow account on Closing Date. The Retention Amount, after deducting a reasonable estimate of the amount of any outstanding claim by the Purchaser (if any) (“Outstanding Claim”), shall be paid out to the Seller and/or the Purchaser in accordance with the joint written instructions of the Seller and the Purchaser on the first business day falling on or after 180 days from the Closing Date. The amount of the Outstanding Claim shall be retained in the escrow account and be paid out in accordance with the joint written instructions of the Seller and the Purchaser after such claim is resolved in accordance with the BTA.

8. BUSINESS COMBINATION

On 22 December 2023, Tongda Intelligence (BVI) Co Limited, an indirect wholly-owned subsidiary of the Company, as the purchaser, and Tongda Group (Asia) Limited, as the vendor, entered into the sale and purchase agreement (the “Sale and Purchase Agreement”), pursuant to which the purchaser has conditionally agreed to purchase, and the vendor has conditionally agreed to sell all issued shares of Credence Technology Limited (“Target Company”), a company incorporated in the British Virgin Islands with limited liability, at the consideration of HK\$60,000,000, subject to the terms and conditions as set out in the Sale and Purchase Agreement. The vendor is owned as to 25% each by Mr. Wang Ya Nan, Mr. Wang Ya Hua, Mr. Wong Ah Yu and Mr. Wong Ah Yeung, being controlling shareholders and connected persons of the Company.

Pursuant to the Sale and Purchase Agreement, the vendor guarantees to the purchaser that the audited consolidated earnings before interest, taxes, depreciation and amortisation (“EBITDA”) of the Target Company will not be less than HK\$12,000,000 for the financial year ended 31 December 2024. If the actual audited consolidated EBITDA of the Target Company for the financial year ended 31 December 2024 as shown in the audited consolidated financial statements of the Target Company for the year ended 31 December 2024 is less than HK\$12,000,000, then the vendor shall pay to the purchaser in cash within seven days after the delivery of such financial statements an amount calculated.

The acquisition was made as part of the Group’s strategy to expand and create synergy with the existing electrical appliances business. The acquisition was completed on 3 January 2024 and the consideration was satisfied by the payment of the cash of HK\$60,000,000. Further details of the acquisition was set out in Company’s announcement dated 22 December 2023.

Acquisition-related costs

Acquisition-related costs of HK\$1,459,000 that were not directly attributable to the issue of shares are included in administrative expenses in the condensed statement of income statement and in operating cash flows in the condensed statement of cash flows.

The assets acquired and liabilities assumed by the Group in the acquisition reflected the fair values based on management's analysis, including work performed by independent professional valuer.

The following was a summary of the fair values of the assets acquired and liabilities assumed as at the acquisition date:

	Fair value HK\$000
Net identifiable assets acquired:	
Property, plant and equipment	81,445
Customer relationship (included in intangible assets)	9,388
Financial assets at fair value through profit or loss	7,020
Inventories	40,668
Trade and other receivables	75,122
Tax recoverable	1,322
Cash and cash equivalents	8,305
Bank borrowings	(59,324)
Trade and other payables	(103,946)
Net identifiable assets acquired	60,000
Total consideration satisfied by cash	60,000
Net cash outflow arising on acquisition:	
Cash consideration paid	(60,000)
Cash and cash equivalents acquired	8,305
Net outflow of cash and cash equivalents included in cash flows from investing activities	(51,695)

(i) Revenue and profit contribution

The Target company and its subsidiaries contributed HK\$160,994,000 and HK\$3,010,000 to the Group's revenue and profit for the period between the date of acquisition and 30 June 2024, respectively.

9. DIVIDENDS

At the board meeting held on 22 August 2025, the Board did not recommend the payment of any interim dividend for the Period (six months ended 30 June 2024: nil).

10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	Unaudited Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Profit		
Profit for the purpose of basic and diluted earnings per share	63,421	12,842
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	9,735,607	9,735,607

No adjustment has been made to the basic earnings per share amount presented for the six months ended 30 June 2025 as no potential dilutive ordinary shares in issue.

No adjustment has been made to the basic earnings per share amount presented for the six months ended 30 June 2024 in respect of a dilution of the award shares as certain conditions under the share award scheme not yet fully satisfied as of the reporting period.

11. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the Period, the Group has addition of property, plant and equipment of HK\$88,253,000 (30 June 2024: HK\$330,174,000) in which HK\$nil (30 June 2024: HK\$81,445,000) was through the acquisition of subsidiaries. During the Period, the Group disposed of certain items of property, plant and equipment with net book value of HK\$6,108,000 (30 June 2024: HK\$286,796,000) in which, HK\$nil (30 June 2024: HK\$277,562,000) was through the disposal of subsidiaries and, the other of HK\$6,108,000 (30 June 2024: HK\$9,234,000) for proceeds of HK\$11,722,000 (30 June 2024: HK\$7,320,000). The Group incurred revaluation deficit of HK\$1,281,000 (30 June 2024: revaluation surplus of HK\$532,000) and depreciation expenses of HK\$123,407,000 (30 June 2024: HK\$319,192,000) during the Period. In addition, exchange realignment of HK\$52,438,000 (30 June 2024: HK\$119,325,000) was debited (30 June 2024: credited) to property, plant and equipment.

At 30 June 2025, the Group's leasehold building and the related right-of-use asset in Hong Kong were revalued at the end of the reporting period based on valuations performed by Asset Appraisal Ltd., an independent firm of professionally qualified valuers, at HK\$38,200,000 (31 December 2024: HK\$43,400,000). In the opinion of the directors, the current use of the leasehold building in Hong Kong and the related right-of-use asset is its highest and best use.

A revaluation deficit of HK\$4,708,000 (30 June 2024: HK\$3,871,000), resulting from the above valuation, has been debited to other comprehensive income. The resulting decrease in deferred tax liability of HK\$781,000 (30 June 2024: HK\$473,000) arising from the revaluation has also been credited to other comprehensive income.

The Group's leasehold buildings and the related right-of-use assets in Hong Kong and Mainland China with net carrying amount of HK\$646,918,000 (31 December 2024: HK\$569,668,000) were pledged to secure banking facilities granted to the Group (note 16).

During the Period, the Group has addition of intangible assets of HK\$nil (30 June 2024: HK\$9,388,000 through acquisition of subsidiaries) and incurred amortisation expenses of HK\$380,000 (30 June 2024: HK\$389,000). During the Period, the exchange realignment of HK\$229,000 (30 June 2024: HK\$263,000) was debited (30 June 2024: credited) to the intangible assets.

As at 30 June 2025, the Group's management assessed whether there is any impairment indication among the segment of consumer electronics structural components which engaged in the manufacture and sale of components for smart mobile communication and other electrical consumer products for the period then ended, and estimated the recoverable amounts of the property, plant and equipment, the right-of-use assets, the intangible assets and the long term deposits of the segment (collectively as the "Assets Under Review"). Based on the value-in-use calculation, no written down of the carrying amounts were required for the Assets Under Review to their estimated recoverable amounts (31 December 2024: an impairment loss of HK\$1,972,624,000 was recognised in the consolidated income statement to write down the carrying amount of the property, plant and equipment to their recoverable amount of HK\$1,697,990,000). The estimated recoverable amounts of the cash generated units were determined by valuations performed by Royson Valuation Advisory Limited, an independent firm of professionally qualified valuer with more than 12 years of experience in business valuation and derivatives valuation in a range of industries, including construction, education, electronics and electrical equipment, health care, financial services, information technology, e-commerce. The valuation is performed based on value-in-use calculations using discounted cash flow analysis under income approach based on financial forecast covering a period of the remaining useful lives of these assets. Value-in-use is the present value of the future cash flows expected to be derived from an asset or a CGU; and a CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The compound annual growth rates on the five-year revenue growth following the year ended 30 June 2025 ranged from 1.5% to 5.2% (31 December 2024: 2.2% to 9.2%) were applied in the cash flow projections. The revenue growth rates were mainly estimated with reference to the combination of: (i) the estimated revenue of core customers; (ii) the forecasted sale orders from core customers; (iii) the historical sales records of the Group; (iv) the outlook from the management of the Group on the future operating environment; and (v) the operating strategy of the Group. Cash flows beyond the projection period are extrapolated using an estimated growth rate of 2% (31 December 2024: 2%) per annum with reference to the market forecasted long-term inflation rates in the Mainland China. The pre-tax discount rates applied to the cash flow projections ranged from 13.6% to 16.3% (31 December 2024: 10.2% to 16.2%). The discount rates applied were calculated by the cost of equity and cost of debt with reference to the ratio of the companies with similar industries and public data such as risk-free rate of the Mainland China.

12. INVENTORIES

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Raw materials	161,284	157,212
Work in progress	159,334	180,300
Finished goods	334,681	376,327
	655,299	713,839

As at 30 June 2025, moulds of HK\$19,539,000 (31 December 2024: HK\$22,634,000) are included in the finished goods.

13. TRADE AND BILLS RECEIVABLES

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Trade receivables	1,411,801	1,515,435
Impairment allowances	(23,220)	(25,378)
	1,388,581	1,490,057
Bills receivables	703,587	628,474
	2,092,168	2,118,531

It is the general policy of the Group to allow a credit period of one to three months. In addition, for certain customers with long-established relationships and good repayment histories, a longer credit period may be granted in order to maintain a good relationship. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the management. Trade receivables are non-interest bearing. At the end of the reporting period, 16.1% (31 December 2024: 18.3%) and 35.6% (31 December 2024: 37.8%) of the total trade and bills receivables were due from the Group's largest customer and the five largest customers, respectively.

An ageing analysis of the Group's trade and bills receivables as at 30 June 2025, based on the invoice date and issuance date, is as follows:

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Within 3 months	1,613,812	1,976,360
4 to 6 months, inclusive	361,855	138,970
7 to 9 months, inclusive	119,539	5,499
10 to 12 months, inclusive	4,274	2,775
More than 1 year	15,908	20,305
	2,115,388	2,143,909
Impairment allowances	(23,220)	(25,378)
	2,092,168	2,118,531

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

Financial assets at FVTPL represented the structured deposits at banks and fund investments. Changes in fair values of financial assets at FVTPL are recorded in "other income and gains – net" in the condensed consolidated income statement.

15. TRADE AND BILLS PAYABLES

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Trade payables	1,264,981	1,527,152
Bills payable	1,029,775	997,934
	2,294,756	2,525,086

The trade payables are non-interest bearing and are normally settled on 60 to 90 days' terms. An ageing analysis of the Group's trade and bills payables as at 30 June 2025, based on the invoice date and issuance date, is as follows:

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Within 3 months	1,691,085	1,821,013
4 to 6 months, inclusive	560,006	656,634
7 to 9 months, inclusive	16,334	18,873
10 to 12 months, inclusive	4,427	3,645
More than 1 year	22,904	24,921
	2,294,756	2,525,086

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

During the six months ended 30 June 2025, the Group repaid bank and other borrowings of HK\$373,494,000 (30 June 2024: HK\$2,882,787,000) and raised new bank and other borrowings of HK\$475,430,000 (30 June 2024: HK\$780,933,000).

At the end of the reporting period, the Group's banking facilities were supported by:

- (a) the pledge of bank deposits of approximately HK\$264,093,000 (31 December 2024: HK\$249,519,000);
- (b) corporate guarantees from the Company and certain of its subsidiaries;
- (c) the pledge of the Group's leasehold building and the related right-of-use asset in Hong Kong and Mainland China with a carrying amount of approximately HK\$646,918,000 (31 December 2024: HK\$569,668,000) (note 11); and
- (d) the pledge of 17,180,000 issued shares (31 December 2024: 17,180,000) of Tongda Smart Tech (Xiamen) Co., Limited ("Tongda Chuang Zhi"), a non-wholly owned subsidiary of the Group whose shares were listed on the Main Board of the Shenzhen Stock Exchange (stock code: SZ001368), representing approximately 15.1% of its total issued shares.

17. SHARE CAPITAL

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Authorised:		
20,000,000,000 (31 December 2024: 20,000,000,000) ordinary shares	200,000	200,000
Issued and fully paid:		
9,735,607,645 (31 December 2024: 9,735,607,645) ordinary shares	97,356	97,356

A summary of movements in the Company's share capital is as follows:

	Number of ordinary shares in issue	Issued capital HK\$'000	Share premium account HK\$'000	Total HK\$'000
Issued:				
As at 1 January 2024,				
30 June 2024, 1 January 2025				
and 30 June 2025	9,735,607,645	97,356	1,780,859	1,878,215

18. SHARE OPTION AND SHARE AWARD SCHEME

Share option scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 25 June 2013, a share option scheme of the Company (the “2013 Share Option Scheme”) was adopted by the Company which has expired on 24 June 2023 and no further options can be granted thereunder. As at 24 June 2023, there were no outstanding share options under the 2013 Share Option Scheme.

In view of the expiration of the 2013 Share Option Scheme and pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 29 May 2025, a new share option scheme of the Company (the “New Share Option Scheme”) was adopted by the Company. The purpose of the New Share Option Scheme is to attract and retain the best available and high calibre personnel of the Group, to provide additional incentives to the eligible participants and to promote the overall success of the business of the Group. The New Share Option Scheme will give the eligible participants an opportunity to have a personal stake in the Company which will help motivate the eligible participants in optimising their performance and efficiency and attract and retain the eligible participants whose contributions are important to the long-term growth and profitability of the Group. Pursuant to the terms of the New Share Option Scheme, eligible participants include the employee participants.

The total number of shares which may be issued in respect of all share options which may be granted under the New Share Option Scheme together with all options and awards which may be granted under any other share schemes for the time being of the Company shall not exceed such number of shares as equivalent to 10% of the issued share capital (excluding treasury shares) of the Company as at the date of approval of the New Share Option Scheme (the "Scheme Mandate Limit"). Share options lapsed in accordance with the terms of the New Share Option Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. On the contrary, options may be cancelled pursuant to the terms of the New Share Option Scheme. The options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. As at the date of approval of the New Share Option Scheme and 30 June 2025, the total number of shares available for issue under the Scheme Mandate Limit was 973,560,764 and 973,560,764 respectively.

Share options granted to a director, chief executive or substantial shareholder of the Company, or any of their respective associates, under the New Share Option Scheme must be approved by the independent non-executive directors of the Company (excluding an independent non-executive director who is the proposed grantee of the Company).

In addition, any share options are proposed to be granted to an independent non-executive director or a substantial shareholder (as defined in the Listing Rules) or any of their respective associates and if such grant would result in the shares issued and to be issued (including any treasury shares which may be transferred, as applicable) in respect of all share options and awards granted and to be granted (excluding any share options and awards lapsed in accordance with the terms of the relevant schemes) to such person in any twelve (12)-month period up to and including the date of grant representing in aggregate over 0.1% of the total issued shares (excluding any treasury shares), such further grant of share options must be approved by shareholders in a general meeting of the Company with such grantee, his/her associates and all core connected persons of the Company abstaining from voting in favour of the proposed grant at such general meeting.

The New Share Option Scheme shall continue in force for the period commencing from the adoption date, and expiring at the close of business on the date which falls ten (10) years after the adoption date, after such period no further share options will be granted but the provisions of the New Share Option Scheme shall remain in full force and effect in respect of any share options granted before its expiry or termination but not yet exercised.

During the Period and up to the reporting date, no share options were granted by the Company under the New Share Option Scheme.

Share Award Scheme Operated By The Company

The Company adopted a share award scheme on 17 January 2022 (the "Share Award Scheme") under which the Directors may, from time to time, at its absolute discretion select any employee (other than excluded employee) for participation in the Share Award Scheme and determine the number of awarded shares to be awarded to the selected employee(s) at a price per awarded share not less than the higher of:

- (a) the par value of the share of the Company;
- (b) 50% of the closing price of the shares of the Company as quoted on the Stock Exchange on the grant date; and
- (c) 50% of the average of the closing prices of the shares of the Company as quoted on the Stock Exchange for the five consecutive trading days immediately preceding the grant date.

The Board is entitled to impose any conditions, as it deems appropriate with respect to the entitlement of the selected employee to the awarded shares.

The purpose of the Share Award Scheme is to (i) establish a mechanism of “risk sharing and benefit sharing” between middle and senior management and the Group, so that the middle and senior management have the opportunity to share the results of the Group’s strategic development and organisational changes, and attract and retain core talents; (ii) establish an equity reward model linked to the Company’s overall value and personal performance indicators and achieve diversified and long-term rewards for middle and senior management; and (iii) attract suitable personnel for further development of the Group.

The Share Award Scheme shall be valid and effective for a term of 10 years from 17 January 2022 unless terminated earlier by the Board and is administered by the Board and the trustee of the Share Award Scheme. The total number of shares to be awarded under the Share Award Scheme shall not exceed 10% of the total number of issued shares of the Company as at the adoption date of the Share Award Scheme. During the Period, a total of 29,050,000 awarded shares were lapsed due to the unfulfillment of certain vesting conditions, and total issue price paid for these awarded shares were refunded accordingly. Such lapsed awarded shares are available for further grant pursuant to the Share Award Scheme. The number of awards available for grant under the Share Award Scheme as at 1 January 2024, 31 December 2024 and 30 June 2025 was 917,425,764, 928,160,765 and 957,210,765 respectively. The maximum number of shares of the Company which may be awarded to a selected employee under the Share Award Scheme shall not exceed 1% of the shares in issue of the Company from time to time.

The number of shares that may be issued in respect of the awarded shares granted under the Share Award Scheme during the six months ended 30 June 2025 and 2024, being nil and 36,050,000 shares respectively, divided by the weighted average number of shares of the relevant class in issue for the respective period was approximately nil% and 0.37%.

As at the date of this report, the total number of shares available for issue under the Share Award Scheme was nil (31 December 2024: 29,050,000), representing approximately nil% (2024: 0.30%) of the entire issued share capital of the Company as at the date of this report.

Nil awarded shares were granted under the Share Award Scheme during the six months ended 30 June 2025 and 2024.

Set out below is a summary of the grant of award shares under the Share Award Scheme as at 30 June 2025:

Grant date	Number of awarded shares								
	Fair value per share at grant date (HK\$)	Issue price per share (HK\$)	Closing price per share immediately before date of grant (HK\$)	Vesting period	As at	As at		As at	
					1 January	31 December	30 June		
					2024	2024	2025		
					Terminated Note 3	Lapsed Note 4			
17 January 2022	0.240	0.1232 ^{Note 2}	0.245	17 January 2023 to 17 January 2024	16,350,000	(3,900,000)	12,450,000	(12,450,000)	-
17 January 2022	0.237	0.1232 ^{Note 2}	0.245	17 January 2024 to 17 January 2025	21,800,000	(5,200,000)	16,600,000	(16,600,000)	-
Total					38,150,000	(9,100,000)	29,050,000	(29,050,000)	-

Notes:

- 64,500,000 awarded shares were allotted and issued pursuant to the general mandate granted by the shareholders of the Company at the annual general meeting of the Company held on 14 May 2021.

2. The issue price of HK\$0.1232 was determined in accordance with the terms of the Share Award Scheme at an issue price not less than the higher of (a) the par value of the shares; (b) 50% of the closing price of the shares as quoted on the Stock Exchange on the date of grant; and (c) 50% of the average of the closing prices of the shares as quoted on the Stock Exchange for the five consecutive trading days immediately preceding the date of grant. The grantees of the awarded shares shall pay the aggregate issue price, representing an aggregate issue price of HK\$7,946,400 as at the date of grant, to the Company within 5 business days after the date of acceptance of the awarded shares.
3. During the year ended 31 December 2024, a total of 9,100,000 awarded shares were returned due to the termination of employment of a selected employee.
4. Certain vesting conditions of the 29,050,000 awarded shares have not been fulfilled and therefore lapsed during the six months ended 30 June 2025. Total issue price paid for these awarded shares was refunded accordingly.

The Group measured the fair value of the awarded shares at grant date valued by an independent professional valuer with input of Share's spot price of HK\$0.244 per share, risk-free rate of 0.34%–1.02%, etc.

For the six months ended 30 June 2025, net share awards expense of HK\$4,441,000 (six months ended 30 June 2024: HK\$747,000) was reversed (six months ended 30 June 2024: charged) to the condensed consolidated income statement.

Share Award Scheme Operated By A Subsidiary

Tongda Chuang Zhi established and approved a restricted A share incentive scheme ("Incentive Scheme") on 4 January 2024. The Incentive Scheme is designed to provide long-term incentives for middle level managers and above (excluding directors, supervisor, shareholders of Tongda Chuang Zhi who hold over 5% shares in Tongda Chuang Zhi and their direct family members) to deliver long-term shareholder returns.

The Incentive Scheme shall be valid not exceed 60 months from the date of completion of the registration of the first grant of the restricted A shares to the date when all these restricted A shares granted to the selected employee are released from restricted sale or repurchased and canceled. The total number of shares to be awarded under the Incentive Scheme did not exceed 10% of the total number of issued shares of Tongda Chuang Zhi at the announcement date of the Incentive Scheme. The maximum number of shares of Tongda Chuang Zhi which to be awarded to a selected employee under the Incentive Scheme did not exceed 1% of the shares in issue of Tongda Chuang Zhi at the announcement date of the Incentive Scheme. The number of awards available for grant under the Incentive Scheme as at 31 December 2024 and 30 June 2025 was 9,363,056 and 9,415,556 respectively.

Under the Incentive Scheme, 76 participants are granted 1,867,600 restricted A shares with a grant price of HK\$14.31 (equivalent to RMB13.10) per share on 4 January 2024.

On 2 December 2024, the Board of Tongda Chuang Zhi resolved to grant a total of 336,000 restricted A shares to 19 proposed participants under the Incentive Scheme granted on 4 January 2024, as the grant date of the reserved grant, at the grant price of RMB11.65 per share under the reserved grant. Except for 2 proposed participants under the reserved grant (who were granted a total of 29,000 restricted A shares) who voluntarily decided not to participate in the reserved grant, 17 proposed participants under the reserved grant had accepted and subscribed for a total of 307,000 restricted A shares granted to them under the reserved grant. The share registration of those newly issued registered A shares was completed on 27 December 2024 at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

The grant price was determined by not less than the higher of:

- (a) the par value of the share of Tongda Chuang Zhi;
- (b) 50% of the average price of the shares of Tongda Chuang Zhi as quoted on the Main Board of Shenzhen Stock Exchange on 1 day before the grant date; and
- (c) 50% of the average price of the shares of Tongda Chuang Zhi as quoted on the Main Board of Shenzhen Stock Exchange on 120 days before the grant date.

All these shares are restricted for sale until certain service and performance conditions are met.

Set out below is a summary of the grant of restricted A shares under the Incentive Scheme since the adoption date of the Incentive Scheme up to and including 30 June 2025:

Grant date	Closing price per share										
	Fair value	Issue price per share	immediately	Vesting period	As at		As at			As at	
	per share at		before		1 January	31 December		30 June			
	grant date		date of grant		2024	Granted	Terminated	2024	Vested	Terminated	2025
	(HK\$)	(HK\$)	(HK\$)				Note 1		Note 2	Note 3	
4 January 2024	27.37	14.31	26.75	24 January 2024 to	-	560,280	(169,666)	390,624	(390,624)	-	-
	(equivalent	(equivalent	(equivalent	24 March 2025							
	to RMB25.06)	to RMB13.10)	to RMB24.50)								
4 January 2024	26.73	14.31	26.75	24 January 2024 to	-	560,280	(72,000)	488,280	-	(22,500)	465,780
	(equivalent	(equivalent	(equivalent	24 March 2026							
	to RMB24.48)	to RMB13.10)	to RMB24.50)								
4 January 2024	26.08	14.31	26.75	24 January 2024 to	-	747,040	(96,000)	651,040	-	(30,000)	621,040
	(equivalent	(equivalent	(equivalent	24 March 2027							
	to RMB23.88)	to RMB13.10)	to RMB24.50)								
2 December 2024	20.57	12.62	24.06	25 December 2024 to	-	153,500	-	153,500	-	-	153,500
	(equivalent	(equivalent	(equivalent	25 February 2026							
	to RMB18.99)	to RMB11.65)	to RMB22.21)								
2 December 2024	20.15	12.62	24.06	25 December 2025 to	-	153,500	-	153,500	-	-	153,500
	(equivalent	(equivalent	(equivalent	25 February 2027							
	to RMB18.60)	to RMB11.65)	to RMB22.21)								
						2,174,600	(337,666)	1,836,944	(390,624)	(52,500)	1,393,820

Notes:

1. During the year ended 31 December 2024, certain participants had resigned or failed to fulfil of the sale and performance conditions under the Incentive Scheme, the Board of Tongda Chuang Zhi has resolved to cancel and repurchase a total of 337,656 restricted A shares from these participants with the predetermined repurchase price. During the six months ended 30 June 2025, the repurchase was completed, accordingly, the reverse of capital reserve of HK\$3,879,000 was recognised in the condensed consolidated statement of changes in equity.
2. During the six months ended 30 June 2025, all vesting conditions of first tranche of Incentive Scheme were fulfilled and total of 390,624 restricted A shares were vested and unlocked to trade in the public market. The difference between the share price of Tongda Chuang Zhi and issued price of Incentive Scheme was recognised as capital reserve of HK\$8,550,000 in the condensed consolidated statement of changes in equity.
3. During the six months ended 30 June 2025, certain participants had resigned or failed to fulfil of the sale and performance conditions under the Incentive Scheme, the Board of Tongda Chuang Zhi has resolved to cancel and repurchase a total of 52,500 restricted A shares from these participants with the predetermined repurchase price.

19. COMMITMENTS

The Group had the following capital commitments contracted but not provided for, at the end of the reporting period:

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Contracted for commitments in respect of		
– Purchases of property, plant and equipment	48,466	33,666
– Construction of leasehold buildings in Mainland China	–	–
	48,466	33,666

20. RELATED PARTIES TRANSACTIONS

In addition to the transactions detailed elsewhere in these Interim Financial Statements, the Group had the following material transactions with related parties during the period:

		Unaudited	
		Six months ended 30 June	
		2025	2024
	Notes	HK\$'000	HK\$'000
A jointly-controlled entity:			
Management fee, rental and utility charges	(i)	1,545	1,648
Subcontracting fee	(ii)	9,220	9,995
Interest income	(iii)	1,320	1,353
An associate:			
Rental and utility charges	(iv)	243	2,233

Notes:

- (i) The management fee, rental and utility charges from a jointly-controlled entity represented the management fee charged for factory premises at a predetermined monthly rate per square metre for the period ended 30 June 2025 and the related utility charges.
- (ii) The subcontracting fee to a jointly-controlled entity was made on a basis mutually agreed by both parties.
- (iii) The interest income was charged at 2% per annum on the loan balances to the jointly-controlled entity.
- (iv) The rental and utility charges from an associate represented the rental charged at a predetermined monthly rate and the related utility charged.

21. FAIR VALUE AND FAIR VALUE HIERARCHY

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of cash and cash equivalents, time deposits, pledged deposits, trade and bills receivables, amount due from a jointly-controlled entity, financial assets included in prepayments, deposits and other receivables, financial liabilities included in accrued liabilities and other payables, trade and bills payables and current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets at fair value through profit or loss, non-current portion of the interest-bearing bank borrowings and lease liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values of the financial assets at fair value through profit or loss, interest-bearing bank borrowings and lease liabilities approximate to their carrying amounts.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

- Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

During the six months ended 30 June 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

22. TRANSFERRED FINANCIAL ASSETS

- (i) Transferred financial assets that are not derecognised in their entirety

The following table provides a summary of financial assets that have been transferred in such a way that part of the transferred financial assets does not qualify for derecognition, together with the associated liabilities:

	Unaudited 30 June 2025	
	Bills receivable Notes (a) and (b) HK\$'000	Total HK\$'000
Carrying amount of assets that continued to be recognised	199,961	199,961
Carrying amount of associated liabilities	199,961	199,961
	Audited 31 December 2024	
	Bills receivable Notes (a) and (b) HK\$'000	Total HK\$'000
Carrying amount of assets that continued to be recognised	181,901	181,901
Carrying amount of associated liabilities	181,901	181,901

Notes:

(a) Discounting of bills receivable

At 30 June 2025, the Group discounted certain bills receivable (the “Discounted Bills”) with a carrying amount of HK\$104,078,000 (31 December 2024: HK\$92,989,000) to certain banks in the PRC for cash. In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to the Discounted Bills, and accordingly, it continued to recognise the full carrying amount of the Discounted Bills and the respective bank and other loans. Subsequent to the discounting, the Group does not retain any rights on the use of the Discounted Bills, including the sale, transfer or pledge of the Discounted Bills to any other third parties. The aggregate carrying amount of the bank and other loans recognised due to the Discounted Bills was HK\$104,078,000 as at 30 June 2025 (31 December 2024: HK\$92,989,000).

(b) Bills endorsement under the Law of Negotiable Instruments of the PRC

At 30 June 2025, the Group endorsed certain bills receivable issued by certain local banks and certain local financial institutions in the PRC (the “Endorsed Bills”) with a carrying amount of HK\$95,883,000 (31 December 2024: HK\$88,912,000) to certain of its suppliers in order to settle the trade payables due to such suppliers. In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to the Endorsed Bills, and accordingly, it continued to recognise the full carrying amount of the Endorsed Bills and the associated trade payables settled. Subsequent to the endorsement, the Group does not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties. The aggregate carrying amount of the trade payables settled by the Endorsed Bills during the period to which the suppliers have recourse was HK\$95,883,000 (31 December 2024: HK\$88,912,000) as at 30 June 2025.

(ii) Transferred financial assets that are derecognised in their entirety

(a) ***Discounting of bills receivable***

At 30 June 2025, the Group discounted certain bills receivable (the “Derecognised Discounted Bills”) with a carrying amount of HK\$171,171,000 (31 December 2024: HK\$133,878,000) to a financial institution in the PRC. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Discounted Bills have a right of recourse against the Group if the bills default (the “Continuing Involvement”). In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Discounted Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Discounted Bills. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognised Discounted Bills and the undiscounted cash flows to repurchase these Derecognised Discounted Bills are equal to their carrying amounts of HK\$171,171,000 (31 December 2024: HK\$133,878,000). In the opinion of the directors, the fair values of the Group’s Continuing Involvement in the Derecognised Discounted Bills are not significant. All Derecognised Discounted Bills have maturities from six to nine months.

During the Period, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Discounted Bills. No gains or losses were recognised from the Continuing Involvement, both during the Period or cumulatively. The discounting of bills has been made evenly throughout the Period.

(b) Bills endorsement under the Law of Negotiable Instruments of the PRC

At 30 June 2025, the Group endorsed certain bills receivable issued by certain reputable banks in the PRC (the “Derecognised Endorsed Bills”) to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of HK\$219,206,000 (31 December 2024: HK\$82,591,000). The Derecognised Endorsed Bills have maturities from three to nine months at the end of the Period. In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Endorsed Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Endorsed Bills and the associated trade payables. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognised Endorsed Bills and the undiscounted cash flows to repurchase these Derecognised Endorsed Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group’s Continuing Involvement in the Derecognised Endorsed Bills are not significant.

During the Period, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Endorsed Bills. No gains or losses were recognised from the Continuing Involvement, both during the Period or cumulatively. The Endorsement has been made evenly throughout the Period.

23. EVENTS AFTER THE PERIOD

There were no significant events affecting the Company or any of its subsidiaries after the end of the Period requiring disclosure in this report.

24. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The Interim Financial Statements were approved and authorised for issue by the board of directors on 22 August 2025.

SUPPLEMENTARY INFORMATION

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the Period (2024: nil).

DIRECTORS' INTEREST AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 June 2025, the interests of the directors in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code (the "Model Code") for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules were as follows:

Name of directors	Number of shares held, capacity and nature of interest			Total	Percentage of the Company's issued share capital (Note 3)
	Directly beneficially owned	Through controlled corporation	Notes		
Mr. Wang Ya Nan	691,395,000 (L)	2,819,250,000 (L)	1, 2	3,510,645,000 (L)	36.06
Mr. Hui Wai Man	100,000,000 (L)	–		100,000,000 (L)	1.03
Dr. Yu Sun Say	32,415,000 (L)	–		32,145,000 (L)	0.33
Mr. Cheung Wah Fung, Christopher	5,950,000 (L)	–		5,950,000 (L)	0.06
Mr. Ting Leung Huel Stephen	9,675,000 (L)	–		9,675,000 (L)	0.10
Mr. Sze Irons	14,750,000 (L)	–		14,750,000 (L)	0.15

L: Long position

S: Short position

Notes:

1. 2,375,250,000 shares are held by Landmark Worldwide Holdings Limited, the issued share capital of which is beneficially owned as to 25% by each Messrs. Wang Ya Nan, Wang Ya Hua, Wong Ah Yu and Wong Ah Yeung (collectively referred to as the “Wong Brothers”).
2. 444,000,000 shares are held by E-Growth Resources Limited (“E-Growth”), the entire issued share capital of which is beneficially owned by Mr. Wang Ya Nan.
3. The percentages have been compiled based on the total number of issued shares (i.e. 9,735,607,645 shares) as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, none of the directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed in the section headed “Share Option and Share Award Schemes” below, at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SHARE OPTION AND SHARE AWARD SCHEME

Share option scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 25 June 2013, a share option scheme of the Company (the “2013 Share Option Scheme”) was adopted by the Company which has expired on 24 June 2023 and no further options can be granted thereunder. As at 24 June 2023, there were no outstanding share options under the 2013 Share Option Scheme.

In view of the expiration of the 2013 Share Option Scheme and pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 29 May 2025, a new share option scheme of the Company (the “New Share Option Scheme”) was adopted by the Company. The purpose of the New Share Option Scheme is to attract and retain the best available and high calibre personnel of the Group, to provide additional incentives to the eligible participants and to promote the overall success of the business of the Group. The New Share Option Scheme will give the eligible participants an opportunity to have a personal stake in the Company which will help motivate the eligible participants in optimising their performance and efficiency and attract and retain the eligible participants whose contributions are important to the long-term growth and profitability of the Group. Pursuant to the terms of the New Share Option Scheme, eligible participants include the employee participants.

The total number of shares which may be issued in respect of all share options which may be granted under the New Share Option Scheme together with all options and awards which may be granted under any other share schemes for the time being of the Company shall not exceed such number of shares as equivalent to 10% of the issued share capital (excluding treasury shares) of the Company as at the date of approval of the New Share Option Scheme (the “Scheme Mandate Limit”). Share options lapsed in accordance with the terms of the New Share Option Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. On the contrary, options may be cancelled pursuant to the terms of the New Share Option Scheme. The options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. As at the date of approval of the New Share Option Scheme and 30 June 2025, the total number of shares available for issue under the Scheme Mandate Limit was 973,560,764 and 973,560,764 respectively.

Share options granted to a director, chief executive or substantial shareholder of the Company, or any of their respective associates, under the New Share Option Scheme must be approved by the independent non-executive directors of the Company (excluding an independent non-executive director who is the proposed grantee of the Company).

In addition, any share options are proposed to be granted to an independent non-executive director or a substantial shareholder (as defined in the Listing Rules) or any of their respective associates and if such grant would result in the shares issued and to be issued (including any treasury shares which may be transferred, as applicable) in respect of all share options and awards granted and to be granted (excluding any share options and awards lapsed in accordance with the terms of the relevant schemes) to such person in any twelve (12)-month period up to and including the date of grant representing in aggregate over 0.1% of the total issued shares (excluding any treasury shares), such further grant of share options must be approved by shareholders in a general meeting of the Company with such grantee, his/her associates and all core connected persons of the Company abstaining from voting in favour of the proposed grant at such general meeting.

The New Share Option Scheme shall continue in force for the period commencing from the adoption date, and expiring at the close of business on the date which falls ten (10) years after the adoption date, after such period no further share options will be granted but the provisions of the New Share Option Scheme shall remain in full force and effect in respect of any share options granted before its expiry or termination but not yet exercised.

During the Period and up to the reporting date, no share options were granted by the Company under the New Share Option Scheme.

Share Award Scheme Operated By The Company

The Company adopted a share award scheme on 17 January 2022 (the “Share Award Scheme”) under which the Directors may, from time to time, at its absolute discretion select any employee (other than excluded employee) for participation in the Share Award Scheme and determine the number of awarded shares to be awarded to the selected employee(s) at a price per awarded share not less than the higher of:

- (a) the par value of the share of the Company;
- (b) 50% of the closing price of the shares of the Company as quoted on the Stock Exchange on the grant date; and
- (c) 50% of the average of the closing prices of the shares of the Company as quoted on the Stock Exchange for the five consecutive trading days immediately preceding the grant date.

The Board is entitled to impose any conditions, as it deems appropriate with respect to the entitlement of the selected employee to the awarded shares.

The purpose of the Share Award Scheme is to (i) establish a mechanism of “risk sharing and benefit sharing” between middle and senior management and the Group, so that the middle and senior management have the opportunity to share the results of the Group’s strategic development and organisational changes, and attract and retain core talents; (ii) establish an equity reward model linked to the Company’s overall value and personal performance indicators and achieve diversified and long-term rewards for middle and senior management; and (iii) attract suitable personnel for further development of the Group.

The Share Award Scheme shall be valid and effective for a term of 10 years from 17 January 2022 unless terminated earlier by the Board and is administered by the Board and the trustee of the Share Award Scheme. The total number of shares to be awarded under the Share Award Scheme shall not exceed 10% of the total number of issued shares of the Company as at the adoption date of the Share Award Scheme. During the Period, a total of 29,050,000 awarded shares were lapsed due to the unfulfillment of certain vesting conditions, and total issue price paid for these awarded shares was refunded accordingly. Such lapsed awarded shares are available for further grant pursuant to the Share Award Scheme. The number of awards available for grant under the Share Award Scheme as at 1 January 2024, 31 December 2024 and 30 June 2025 was 917,425,764, 928,160,765 and 957,210,765 respectively. The maximum number of shares of the Company which may be awarded to a selected employee under the Share Award Scheme shall not exceed 1% of the shares in issue of the Company from time to time.

The number of shares that may be issued in respect of the awarded shares granted under the Share Award Scheme during the six months ended 30 June 2025 and 2024, being nil and 36,050,000 shares respectively, divided by the weighted average number of shares of the relevant class in issue for the respective period was approximately nil% and 0.37%.

As at the date of this report, the total number of shares available for issue under the Share Award Scheme was nil (31 December 2024: 29,050,000), representing approximately nil% (2024: 0.30%) of the entire issued share capital of the Company as at the date of this report.

Nil awarded shares were granted under the Share Award Scheme during the six months ended 30 June 2025 and 2024. Further details of the Share Award Scheme are disclosed in note 18 to the condensed consolidated financial statements.

Share Award Scheme Operated By A Subsidiary

Tongda Chuang Zhi established and approved a restricted A share incentive scheme ("Incentive Scheme") on 4 January 2024. The Incentive Scheme is designed to provide long-term incentives for middle level managers and above (excluding directors, supervisor, shareholders of Tongda Chuang Zhi who hold over 5% shares in Tongda Chuang Zhi and their direct family members) to deliver long-term shareholder returns.

The Incentive Scheme shall be valid not exceed 60 months from the date of completion of the registration of the first grant of the restricted A shares to the date when all these restricted A shares granted to the selected employee are released from restricted sale or repurchased and canceled. The total number of shares to be awarded under the Incentive Scheme did not exceed 10% of the total number of issued shares of Tongda Chuang Zhi at the announcement date of the Incentive Scheme. The maximum number of shares of Tongda Chuang Zhi which to be awarded to a selected employee under the Incentive Scheme did not exceed 1% of the shares in issue of Tongda Chuang Zhi at the announcement date of the Incentive Scheme. The number of awards available for grant under the Incentive Scheme as at 31 December 2024 and 30 June 2025 was 9,363,056 and 9,415,556 respectively.

Under the Incentive Scheme, 76 participants are granted 1,867,600 restricted A shares with a grant price of HK\$14.31 (equivalent to RMB13.10) per share on 4 January 2024.

On 2 December 2024, the Board of Tongda Chuang Zhi resolved to grant a total of 336,000 restricted A shares to 19 proposed participants under the Incentive Scheme granted on 4 January 2024, as the grant date of the reserved grant, at the grant price of RMB11.65 per share under the reserved grant. Except for 2 proposed participants under the reserved grant (who were granted a total of 29,000 restricted A shares) who voluntarily decided not to participate in the reserved grant, 17 proposed participants under the reserved grant had accepted and subscribed for a total of 307,000 restricted A shares granted to them under the reserved grant. The share registration of those newly issued registered A shares was completed on 27 December 2024 at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

The grant price was determined by not less than the higher of:

- (a) the par value of the share of Tongda Chuang Zhi;
- (b) 50% of the average price of the shares of Tongda Chuang Zhi as quoted on the Main Board of Shenzhen Stock Exchange on 1 day before the grant date; and
- (c) 50% of the average price of the shares of Tongda Chuang Zhi as quoted on the Main Board of Shenzhen Stock Exchange on 120 days before the grant date.

All these shares are restricted for sale until certain service and performance conditions are met. Further details of the Share Award Scheme are disclosed in note 18 to the condensed consolidated financial statements.

SUBSTANTIAL SHAREHOLDER

At 30 June 2025, as recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO, the following party was interested in 5% or more of the Company's issued share capital:

Name of shareholder	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital
Landmark Worldwide Holdings Limited	Note Directly beneficially owned	2,375,250,000 (L)	24.40

L: Long position

S: Short position

Note: The issued share capital of Landmark Worldwide Holdings Limited is held and beneficially owned as to 25% each by the Wong Brothers.

Save as disclosed above, as at 30 June 2025, the Company had not been notified by any substantial shareholders other than directors or chief executives of the Company, who had interests or short positions in the shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the Period.

CORPORATE GOVERNANCE

The Company has complied with all the applicable code provisions of the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as set out in Part 2 of Appendix C1 to the Listing Rules, throughout the Period, except for the deviations as mentioned below.

Code provision C.2.1 of the CG Code states that the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company does not have a separate chairman and chief executive and Mr. Wang Ya Nan currently holds both positions. The Board believes that vesting the roles of both chairman and chief executive in the same person provides the Group with strong and consistent leadership and allows for more effective planning and execution of long-term business strategies. The current structure is considered to be the most appropriate under specific circumstances.

AUDIT COMMITTEE

The audit committee of the Company (the “AC”) comprises three independent non-executive Directors and one non-executive Director, namely Mr. Ting Leung Huel Stephen (“Mr. Ting”), Dr. Yu Sun Say, Mr. Cheung Wah Fung, Christopher and Ms. Chan Sze Man. Mr. Ting takes the chair of the AC. The term of reference of the AC are aligned with the recommendations as set out in “A Guide for Effective Audit Committee” issued by the Hong Kong Institute of Certified Public Accountants and the CG Code. The AC provides accounting and financial advices and recommendations to the Board as well as monitor and safeguard the independence of external auditors and relevant auditing matters. Also, the AC is responsible for reviewing and supervising the risk management and internal control system of the Group.

The AC and the Company’s auditor had reviewed the unaudited interim results of the Group for the Period prior to the submission to the Board for approval.

MODEL CODE OF SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out under Appendix C3 to the Listing Rules (the “Model Code”) as the Company’s code of conduct regarding securities transactions by Directors. All Directors have confirmed, following specific enquiry of all Directors, that they have fully complied with the required standard set out in the Model Code throughout the Period.

EVENTS AFTER THE PERIOD

There were no significant events affecting the Company or any of its subsidiaries after the end of the Period requiring disclosure in this report.

BOARD OF DIRECTORS

As at the date of this report, the Board comprises Mr. Wang Ya Nan, Mr. Wang Hung Man, Mr. Wong Ming Sik, Mr. Wong Ming Yuet and Mr. Hui Wai Man as executive Directors; Ms. Chan Sze Man as non-executive Director; and Dr. Yu Sun Say, GBM, GBS, SBS, JP, Mr. Cheung Wah Fung, Christopher, GBS, SBS, JP, Mr. Ting Leung Huel, Stephen, MH and Mr. Sze Irons, GBS, BBS, JP as independent non-executive Directors.

On behalf of the Board

Tongda Group Holdings Limited

Wang Ya Nan

Chairman

Hong Kong, 22 August 2025