

# PROSPERITY GROUP INTERNATIONAL LIMITED

(formerly known as Kingbo Strike Limited)

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1421

## INTERIM REPORT 2024/2025



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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Liu Yancheng (*Chairman*)  
Mr. Yao Runxiong  
Mr. Wu Yifeng (appointed on 5 July 2024)

### Independent Non-executive Directors

Mr. Chen Yeung Tak  
Dr. Luo Xiaodong  
Mr. Wang Haoyuan  
Ms. Ye Jieting (resigned on 19 July 2024)  
Ms. Chan Sheung Yu (appointed on 27 December 2024)

## AUDIT COMMITTEE

Mr. Chen Yeung Tak (*Chairman*)  
Dr. Luo Xiaodong  
Mr. Wang Haoyuan  
Ms. Ye Jieting (resigned on 19 July 2024)

## NOMINATION COMMITTEE

Mr. Liu Yancheng (*Chairman*)  
Dr. Luo Xiaodong  
Mr. Chen Yeung Tak  
Mr. Wang Haoyuan  
Ms. Chan Sheung Yu (appointed on 27 December 2024)

## REMUNERATION COMMITTEE

Mr. Chen Yeung Tak (*Chairman*)  
Dr. Luo Xiaodong  
Mr. Wang Haoyuan  
Ms. Ye Jieting (resigned on 19 July 2024)  
Ms. Chan Sheung Yu (appointed on 27 December 2024)

## AUDITORS

Moore CPA Limited  
Certified Public Accountants  
Registered Public Interest Entity Auditors

## PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Bank of China (Hong Kong)

## REGISTERED OFFICE

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Union Registrars Limited  
Suites 3301-04, 33/F  
Two Chinachem Exchange Square  
338 King's Road  
North Point  
Hong Kong

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 903A, 9th Floor,  
Mirror Tower,  
No. 61 Mody Road,  
Tsim Sha Tsui East, Hong Kong

## COMPANY SECRETARY

Mr. Yiu Ngai Chiu

## AUTHORISED REPRESENTATIVES

Mr. Yao Runxiong  
Mr. Yiu Ngai Chiu

## WEBSITE OF THE COMPANY

<https://prosperityhc.com>



# Management Discussion and Analysis

## BUSINESS REVIEW

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

### Solar Power Business

The Group’s solar power business mainly engaged in supply and installation of solar photovoltaic parts and equipment. During the period, the Group has recognised a revenue of approximately HK\$10.8 million from the solar power business for the six months ended 31 December 2024, a decrease is noted compared to a revenue of approximately HK\$14.4 million in the six months ended 31 December 2023, as the Group secured and delivered a lower volume of contracts during the period.

### Electrical Distribution System

The Group recorded a revenue of approximately HK\$43.7 million in the six months ended 31 December 2024, compared to a revenue of approximately HK\$48.7 million in the six months ended 31 December 2023. A decrease was noted due to the lower volume of contract during the period.

### Beauty and Health Business

The Group started beauty and health business during the period and recorded a revenue of HK\$0.2 million.

## FINANCIAL REVIEW

### Revenue

For the six months ended 31 December 2024, majority of the Group’s revenue was derived from solar power business, electrical distribution system and beauty and health products in the People’s Republic of China (the “**PRC**”).

Revenue contributed from solar power business, electrical distribution system and beauty and health products in PRC comprised approximately 19.7% (HK\$10.8 million), 79.9% (HK\$43.7 million) and 0.4% (HK\$0.2 million) of the total revenue of the Group, respectively.

### Operating Results

During the period under review, gross profit of the Group increased by 52% to approximately HK\$3.5 million (six months ended 31 December 2023: HK\$2.3 million) as compared to the six months ended 31 December 2023. Gross profit margin increases from that of 3.6% for the six months ended 31 December 2023 to 6.4% for the six months ended 31 December 2024. An increase in gross profit margin is attributable to a general increase in pricing.

Loss attributable to owners of the Company is approximately HK\$16.3 million (six months ended 31 December 2023: loss of HK\$27.7 million) and basic loss per share attributable to ordinary equity holders of the parent is HK\$12.8 cent (six months ended 31 December 2023: loss per share of HK\$33.1 cent). The change is mainly attributable to the combined effect of (i) improvement in electrical distribution system segment result to a profit of approximately HK\$3.7 million (six months ended 31 December 2023: loss of HK\$11.6 million); (ii) deterioration in solar power business segment results to loss of approximately HK\$8.2 million (six months ended 31 December 2023: profit of HK\$1.1 million); and (iii) decrease in corporate and other unallocated expense to approximately HK\$7.6 million (six months ended 31 December 2023: HK\$12.9 million).

### Other Gains and Losses

Other gains and losses had changed from a net gain of approximately HK\$0.04 million for the six months ended 31 December 2023 to a gain of approximately HK\$0.2 million for the six months ended 31 December 2024. The other gains and losses mainly represented gain on disposal of property, plant and equipment, sample sales, bank interest income and net fair value loss on financial assets at fair value through profit or loss.

### Administrative Expenses

Administrative expenses for the six months ended 31 December 2024 decreased to HK\$11.5 million for the six months ended 31 December 2024 compared to approximately HK\$13.1 million for the six months ended 31 December 2023. The decrease was generally due to the decrease in employee benefits.

### Taxation

There was a net income tax credit of approximately HK\$1.1 million for the six months ended 31 December 2024 compared to net income tax expenses of approximately HK\$0.6 million for the six months ended 31 December 2023, which mainly due to overprovision of tax expenses in priors year in solar power business in PRC.

### Liquidity, Financial Resources and Gearing

As at 31 December 2024, net current assets of the Group were approximately HK\$129.5 million (30 June 2024: HK\$145.4 million). Besides, the Group maintained cash and cash equivalents of approximately HK\$7.5 million (30 June 2024: HK\$24.3 million).

The Group's gearing ratio was 0.41 (30 June 2024: 0.27), which was calculated on the basis of net debt over equity attributable to owners of the Company. Net debt is calculated as total borrowings plus trade and other payables less cash and cash equivalents.



## Capital Structure

### 2024 Right Issue

On 22 March 2024, the Company announced that the Board proposed to implement the rights issue on the basis of one (1) rights share for every two (2) existing Shares in issue at the subscription price of HK\$0.4 per rights share, to raise up to approximately HK\$16.7 million before expenses by way of issuing up to 41,708,400 rights shares (the “**Right Issue**”).

On 8 May 2024, the Company completed the Rights Issue and issued 41,708,400 rights shares. The net proceeds from the Rights Issue were approximately HK\$16.0 million.

Further details of the Rights Issue were set out in the Company’s announcements dated 22 March 2024, 29 April 2024 and 8 May 2024, together with the Company’s prospectus dated 11 April 2024.

On 12 June 2024, the Company has published an announcement relating to the change in use of proceeds and the expected timeline of full utilisation by (a) reallocating approximately HK\$7.5 million which was originally allocated for developing solar power and electrical distribution system business to developing its sale of cosmetic products business; and (b) extending the expected timeline of full utilisation of the unutilised net proceeds from the end of December 2024 to the end of June 2025.

The table below sets forth the status of utilisation of the proceeds as at 31 December 2024, and the expected timeline of the use of the unutilised proceed from the Right Issue:

	Allocation of net proceeds HK\$ (million)	Utilisation up to the financial year ended 31 December 2024 HK\$ (million)	Expected timeline of full utilisation of the net proceeds
Developing its sale of cosmetic products business	7.5	4.2	End of June 2025
Developing solar power and electrical distribution system business	3.7	3.7	N/A
General working capital of the Group	4.8	4.8	N/A
<b>Total</b>	<b>16.0</b>	<b>12.7</b>	



### 2024 Placing

On 28 November 2024, the Company entered into a placing agreement (the “**2024 Placing Agreement**”) with Advent Securities (Hong Kong) Limited, pursuant to which Advent Securities (Hong Kong) Limited agreed to place up to 16,680,000 new shares of the Company to not less than six placees on a best effort basis at a placing price of HK\$0.2 per placing share (the “**2024 Placing**”). The Placing was completed on 9 December 2024 and 16,680,000 new shares of the Company with an aggregate nominal value of HK\$3,336,000 were allotted and issued by the Company to not less than six placees who were independent individuals, corporations and/or institutional investors, who and whose ultimate beneficial owners were third parties independent of and not connected with the Company and its connected persons.

The placing price of HK\$0.2 represented (i) a discount of approximately 19.68% to the closing price of HK\$0.249 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a premium of approximately 7.41% over the average closing price per Share of approximately HK\$0.186 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the 2024 Placing Agreement.

The net placing price for the 2024 Placing was approximately HK\$0.186 per placing share.

The 2024 Placing was conducted by the Company to raise additional funding for the business operations of the Group and strengthen the financial position of the Group for future development. The net proceeds amounting to approximately HK\$3.1 million arising from the 2024 Placing shall be fully applied as general working capital of the Group.

As at 31 December 2024, the Group had utilised the net proceeds of the 2024 Placing as follows:

Intended use of net proceeds	Allocation of net proceeds HK\$ (million)	Utilisation up to the financial period ended 31 December 2024 HK\$ (million)
General working capital of the Group	<b>3.1</b>	<b>1.2</b>

The expected timeline for utilization of the unused net proceeds will be on or before 28 February 2025.

Save as disclosed above, there were no other equity fund raising activities of the Company during the last 12 months prior to the date of this report.

The utilisation of net proceeds was in accordance to the original intention disclosed in the announcement of the Company dated 28 November 2024 in relation to the 2024 Placing.



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

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

The Group's business mainly operates in PRC and Hong Kong. Accordingly, its revenue and transactions arising from its operations were generally settled in Renminbi and Hong Kong dollars. As a result, fluctuations in the value of Hong Kong dollars against Renminbi could adversely affect the cash and cash equivalent which is reported in Hong Kong dollars. During the six months ended 31 December 2024, the Group did not experience in any material difficulties or impacts on its operations or liquidity as a result of currency exchange fluctuation.

The Group did not use any financial instruments for hedging purposes during the six months ended 31 December 2024 and there was no hedging instrument outstanding as at 31 December 2024. The Group will continue to monitor closely the exchange rate risk arising from its existing operations and new investments in future. The Group will further implement the necessary hedging arrangement to mitigate any significant foreign exchange risk when and if appropriate.

### **Capital management**

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

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

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 30 June 2024 and the period ended 31 December 2024.

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

### **Charge on Assets**

As at 31 December 2024 and 30 June 2024, the Group had no charges on its assets.

### **Capital Expenditure and Commitments**

During the six months ended 31 December 2024 and six months ended 31 December 2023, the Group did not make significant capital expenditure.

As at 31 December 2024, the Group has capital commitments contracted for but not provided in the condensed consolidated financial statements of approximately HK\$0.7 million (30 June 2024: HK\$0.4 million).



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

As at 31 December 2024, the Group held certain listed securities as financial assets at fair value through profit or loss.

Save for those disclosed above and in note 18 to the condensed consolidated financial statements of this Interim Report, there were no other significant investments held. Nor were there any material acquisitions or disposals during the period under review.

### **Contingent Liabilities**

As of 31 December 2024, the Group did not have any significant contingent liabilities.

### **Employment and Remuneration Policy**

As at 31 December 2024, the total number of employees of the Group was 58 (30 June 2024: 35). During the period under review, employees costs (including Directors' emoluments) amounted to approximately HK\$6.5 million (six months ended 31 December 2023: HK\$9.0 million). Remuneration of the employees which included salary and discretionary bonus was based on the Group's results and individual performance. Medical and retirement benefits schemes were made available to qualified personnel.

### **Prospects**

In the future, the global economy will continue to face many challenges with significant negative impacts. However, the Group remains confident in its business in Mainland China, given China's enormous market size. We will continue to focus on the solar power business and electrical distribution system and strive to acquire new customers.

In the meantime, it made headway in the beauty and health business during the reporting period. The Group made efforts in sales and operates beauty and health business related projects through an associate. Additionally, we are also actively approaching prospective customers to explore opportunities for cooperation.

It will endeavor to seek projects with solid returns and high growth potential, including but not limited to existing businesses, in order to continuously enhance the value of the Company to shareholders.



# Corporate Governance and Other Information

## CORPORATE GOVERNANCE PRACTICES

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

The Company has applied the principles of Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and complied with all applicable code provisions of the CG Code throughout the six months ended 31 December 2024, save and except for the below deviations.

### Code provision C.2.1

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

For the six months ended 31 December 2024, the chairman of the board (the “**Board**”) of directors of the Company (the “**Chairman**”), Mr. Liu Yancheng was responsible for the general operations of the Board and the overall strategy of the Group. The Board considers that this structure would not impair the balance of power and authority between the directors and the management of the Group.

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

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

### Code provision C.1.8

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

## MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as the code of practice for carrying out securities transactions by the Directors. After specific enquiry with all members of the Board, the Company confirmed that all Directors have fully complied with the relevant standards stipulated in the Model Code during the six months ended 31 December 2024.

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

As at 31 December 2024, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive have taken or deemed to have taken under such provisions of the SFO); (ii) recorded in the register kept by the Company under section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

### Long Positions in Shares and Underlying Shares of the Company

Director	Capacity/Nature	Personal Interest	Other interest (Note 3)	Total interest	Percentage of interest in the Company’s issued share capital
Mr. Liu Yancheng	Beneficial owner	570,000	696,869	1,266,869	0.89%
	Interest of spouse (Note 1)	375,000	–	375,000	0.26%
Mr. Yao Runxiong	Beneficial owner	2,108,750	–	2,108,750	1.49%
	Interest of spouse (Note 2)	931,500	–	931,500	0.66%
Mr. Wu Yifeng	Beneficial owner	6,110,000	–	6,110,000	4.31%

Notes:

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

Save as disclosed above, as at 31 December 2024, none of the Directors nor chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).



## SHARE OPTION SCHEME

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

As at 31 December 2024, the number of shares in respect of which options under 2017 Scheme had been granted and remained outstanding was 1,663,568 shares, representing approximately 1.17% of the shares of the Company in issue as at 31 December 2024.

Details of the movements in the share options granted to Directors and employees under the 2017 Scheme during the period ended 31 December 2024 are as follows:

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

These options were vested on 20 December 2023 and exercisable from the date of vesting to 19 December 2032 (both dates inclusive). The closing price of the Company’s shares immediately before the date on which these options were granted was HK\$0.76 (after taking into account the share consolidation which became effective on 1 March 2023). The number of shares that may be issued in respect of options granted under the 2017 Scheme during the period ended 31 December 2024 divided by the weighted average of the Company’s shares in issue for the period ended 31 December 2024 was approximately 1.3%.

A share option scheme was adopted by the Company following the resolution passed at the annual general meeting of the Company held on 15 December 2023 (the “**2023 Scheme**”). The main purpose of the scheme is to provide incentives and rewards to the eligible participants including full time or part time employees of the Group (including any directors). As at the date of adoption of the share option scheme, the total number of issued shares of the Company was 83,416,800 shares of HK\$0.2 each. Pursuant to the Listing Rules and the share option scheme, the total number of shares which might fall to be issued upon exercise of all share options to be granted under the share option scheme was 8,341,680, representing 10% of the then total number of issued shares of the Company as at the date of adoption of the share option scheme and the maximum number of shares that might be issued upon the exercise of all share options under the share option scheme or other schemes. The share option scheme will last for 10 years from the date of adoption. For more details of the share option scheme, please refer to the circular of the Company dated 30 October 2023. The number of shares available for grant under the 2023 Scheme at 31 December 2024 were 6,678,112 shares.

Save as disclosed above, no option was granted, exercised, cancelled or lapsed under 2023 Scheme during the period and as at the date of this report since adoption of the 2023 Scheme.

### **DIRECTORS' RIGHTS TO PURCHASE SHARES OR DEBENTURES**

Save as disclosed in the above "SHARE OPTION SCHEME", at no time during the six months ended 31 December 2024 was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any body corporate, and none of the Directors and chief executives or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

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

As at 31 December 2024, the Company has not been notified by any person or entity who had or was deemed to have interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of SFO.

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

During the six months ended 31 December 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### **INTERIM DIVIDEND**

The Board did not declare any interim dividend for the six months ended 31 December 2024.

### **AUDIT COMMITTEE**

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

The Audit Committee has reviewed with senior management the accounting principles and practices adopted by the Group and also discussed the financial reporting matters including the review of the unaudited condensed consolidated financial statements of the Company for the six months ended 31 December 2024.

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

Hong Kong, 28 February 2025



# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Six months ended 31 December	
		2024 HK\$'000 Unaudited	2023 HK\$'000 Unaudited
<b>REVENUE</b>	6	<b>54,654</b>	63,118
Cost of sales		<b>(51,161)</b>	(60,842)
<b>Gross profit</b>		<b>3,493</b>	2,276
Other gains and (losses), net	7	<b>211</b>	42
Administrative expenses		<b>(11,497)</b>	(13,077)
Other expenses		<b>(106)</b>	(569)
Allowance for expected credit loss ("ECL") recognised in respect of financial assets at amortised cost, net		<b>(6,923)</b>	(11,715)
Share of results of an associate		<b>(20)</b>	–
Finance costs	8	<b>(137)</b>	(293)
<b>LOSS BEFORE TAX</b>	9	<b>(14,979)</b>	(23,336)
Income tax credit (expense)	10	<b>1,059</b>	(653)
<b>LOSS FOR THE PERIOD</b>		<b>(13,920)</b>	(23,989)
<b>ATTRIBUTABLE TO</b>			
Owners of the Company		<b>(16,309)</b>	(27,654)
Non-controlling interests		<b>2,389</b>	3,665
		<b>(13,920)</b>	(23,989)
<b>LOSS FOR THE PERIOD</b>		<b>(13,920)</b>	(23,989)
<b>OTHER COMPREHENSIVE (EXPENSE) INCOME FOR THE PERIOD</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		<b>(1,885)</b>	4,616
Other comprehensive (expenses) income for the period, net of income tax		<b>(1,885)</b>	4,616
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD</b>		<b>(15,805)</b>	(19,373)
<b>ATTRIBUTABLE TO</b>			
Owners of the Company		<b>(17,683)</b>	(23,869)
Non-controlling interests		<b>1,878</b>	4,496
		<b>(15,805)</b>	(19,373)
<b>Loss per share attributable to ordinary equity holders of the Company</b>			(Restated)
Basic and diluted (HK cent)	11	<b>12.8</b>	33.1



# Condensed Consolidated Statement of Financial Position

		31 December 2024	30 June 2024
	<i>Notes</i>	HK\$'000 Unaudited	HK\$'000 Audited
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	13	7,962	6,828
Intangible assets	13	1,974	–
Interests in an associate		1,042	–
Right-of-use asset	14	1,395	947
Total non-current assets		12,373	7,775
<b>CURRENT ASSETS</b>			
Inventories		30,634	31,662
Trade receivables, deposits and other receivables	15	127,109	135,553
Contract assets	16	7,062	4,733
Prepayments	17	24,111	23,238
Financial assets at fair value through profit or loss	18	2	5
Cash and cash equivalents		7,471	24,309
Total current assets		196,389	219,500
<b>CURRENT LIABILITIES</b>			
Trade and other payables	19	41,279	41,039
Amount due to a director		9,509	11,899
Lease liabilities		706	704
Bank borrowings	20	–	3,762
Income tax payable		15,424	16,672
Total current liabilities		66,918	74,076
<b>NET CURRENT ASSETS</b>		<b>129,471</b>	<b>145,424</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>141,844</b>	<b>153,199</b>

Condensed Consolidated Statement of Financial Position



		<b>31 December 2024</b>	30 June 2024
	<i>Notes</i>	<b>HK\$'000</b>	HK\$'000
		<b>Unaudited</b>	Audited
<b>NON-CURRENT LIABILITY</b>			
Lease liabilities		<b>989</b>	801
Deferred tax liabilities		<b>646</b>	654
Total non-current liability		<b>1,635</b>	1,455
<b>NET ASSETS</b>			
<b>EQUITY</b>			
Share capital	21	<b>28,361</b>	25,025
Reserves		<b>77,516</b>	95,319
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
		<b>105,877</b>	120,344
Non-controlling interests		<b>34,332</b>	31,400
<b>TOTAL EQUITY</b>			
		<b>140,209</b>	151,744

# Condensed Consolidated Statement of Changes in Equity

	Equity attributable to owners of the Company									
	Share capital	Share premium	Statutory surplus reserve	Merger reserves	Exchange fluctuation reserve	Share option reserve	Accumulated losses	Total	Non-controlling interests	Total Equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
At 1 July 2024 (audited)	25,025	571,171	15,593	(13,746)	(22,375)	346	(455,670)	120,344	31,400	151,744
(Loss)/profit for the period	-	-	-	-	-	-	(16,309)	(16,309)	2,389	(13,920)
Other comprehensive income for the period:										
Exchange differences on translation of foreign operations	-	-	-	-	(1,374)	-	-	(1,374)	(511)	(1,885)
Total comprehensive (expense) income for the period	-	-	-	-	(1,374)	-	(16,309)	(17,683)	1,878	(15,805)
Recognition of equity-settled share-based expense	-	-	-	-	-	114	-	114	-	114
Issue of shares (note 21)	3,336	(234)	-	-	-	-	-	3,102	-	3,102
Deregistration of a subsidiary	-	-	(619)	-	-	-	619	-	-	-
Transfer from retained profits to statutory surplus reserve	-	-	230	-	-	-	(230)	-	-	-
Capital contribution from non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	1,054	1,054
At 31 December 2024 (unaudited)	28,361	570,937	15,204	(13,746)	(23,749)	460	(471,590)	105,877	34,332	140,209
At 1 July 2023 (audited)	16,683	563,560	15,174	(13,746)	(21,474)	377	(407,991)	152,583	28,432	181,015
(Loss)/profit for the period	-	-	-	-	-	-	(27,654)	(27,654)	3,665	(23,989)
Other comprehensive income for the period:										
Exchange differences on translation of foreign operations	-	-	-	-	3,785	-	-	3,785	831	4,616
Total comprehensive (expense) income for the period	-	-	-	-	3,785	-	(27,654)	(23,869)	4,496	(19,373)
Lapse of share options	-	-	-	-	-	(96)	96	-	-	-
Recognition of equity-settled share-based expense	-	-	-	-	-	270	-	270	-	270
Transfer from retained profits to statutory surplus reserve	-	-	149	-	-	-	(149)	-	-	-
At 31 December 2023 (unaudited)	16,683	563,560	15,323	(13,746)	(17,689)	551	(435,698)	128,984	32,928	161,912



# Condensed Consolidated Statement of Cash Flows

	Six months ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
	Unaudited	Unaudited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash used in operations	(9,481)	(3,304)
Tax paid	–	(130)
<b>Net cash flows used in operating activities</b>	<b>(9,481)</b>	<b>(3,434)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,521)	(1,749)
Interest received	11	63
Proceeds from disposal of plant and equipment	50	–
Capital injection to an associate	(1,068)	–
Purchase of intangible assets	(2,070)	–
<b>Net cash flows used in investing activities</b>	<b>(4,598)</b>	<b>(1,686)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liability	(612)	(524)
Interest paid	(117)	(195)
Repayment of bank borrowings	(3,739)	(7,104)
Repayment of amount due to a director	(16,466)	(990)
Advance from a director	14,122	6,288
Capital contribution from non-controlling interests of a subsidiary	1,054	–
Net proceeds from placement of shares	3,102	–
<b>Net cash flows used in financing activities</b>	<b>(2,656)</b>	<b>(2,525)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(16,735)</b>	<b>(7,645)</b>
Effects of currency translation on cash and cash equivalents, net	(103)	191
Cash and cash equivalents at beginning of period	24,309	13,707
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>7,471</b>	<b>6,253</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents	7,471	6,253



# Notes to the Condensed Consolidated Financial Statements

## 1. CORPORATE AND GROUP INFORMATION

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

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



## 1. CORPORATE AND GROUP INFORMATION (Continued)

### Information about major subsidiaries

Particulars of the Company's major subsidiaries as at 31 December 2024 and 30 June 2024 are as follows:

Name	Place of incorporation and business	Issued ordinary/registered share capital	Percentage of equity attributable to the Company				Principal activities
			31 December 2024		30 June 2024		
			Direct	Indirect	Direct	Indirect	
Capital Asia Investment Limited	Hong Kong limited liability	HK\$1	-	100	-	100	Investment holding
Marvel Skill Holdings Limited	British Virgin Islands ("BVI"), limited liability	US\$50,000	100	-	100	-	Investment holding
Kahuer Holding Co., Limited	BVI, limited liability	US\$1,050,000	-	60	-	60	Investment holding
Loydston International Limited	Hong Kong, limited liability	HK\$500,000	-	60	-	60	Investment holding
揚中恆發新能源有限公司 <sup>1,2</sup> Yangzhong Hengfa New Energy Company Limited ("Yangzhong Hengfa")	PRC	RMB10,000,000	-	100	-	100	Supply and installation of solar photovoltaic parts and equipment
萬騰電氣(鎮江)有限公司 <sup>1,2</sup> Mantone Electrical (Zhenjiang) Company Limited ("Mantone Electrical")	PRC	US\$10,000,000	-	100	-	100	Provision of electrical distribution system
萊斯頓電氣(江蘇)有限公司 <sup>1,2</sup> (Loydston Electrical (Jiangsu) Company Limited) ("Loydston Electrical")	PRC	RMB30,000,000	-	60	-	60	Provision of electrical distribution system
Strike Electrical Engineering Pte Ltd <sup>3</sup> ("Strike Singapore")	Singapore, limited liability	S\$1,510,000	-	-	100	-	Electrical works and general building engineering services
Kingbo Finance Limited	Hong Kong, limited liability	HK\$1	-	100	-	100	Provision of finance
廣州伊芙度生物科技有限公司 <sup>2</sup> Guangzhou IFDO Biotechnology Co., Ltd	PRC	RMB2,000,000	-	51	-	-	Beauty & Health business

Note:

<sup>1</sup> Registered as a wholly-foreign-owned enterprise under PRC law.

<sup>2</sup> The unofficial English translations are for identification purposes only.

<sup>3</sup> The company has been deregistered on 4 November 2024.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors of the Company, principally affected the results or assets of the Group.



## 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 31 December 2024 (the “**Interim Financial Statements**”) have been prepared in accordance with International Accounting Standards (“**IASs**”) 34 Interim Financial Reporting issued by the International Accounting Standard Board (“**IASB**”).

The Interim Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at and for the year ended 30 June 2024.

### Basis of consolidation

The Interim Financial Statements comprise the financial statements of the Company and its subsidiaries for the six months ended 31 December 2024. The financial statements of the subsidiaries used in the preparation of the Interim Financial Statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to transactions and events in similar circumstances.

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

## 3. PRINCIPAL ACCOUNTING POLICIES

The Interim Financial Statements have been prepared under the historical cost convention except for financial assets at fair value through profit or loss (Note 18) which have been measured at fair value. These financial statements are presented in HK\$. All values are rounded to nearest thousands (“**HK\$’000**”) unless otherwise stated.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 31 December 2024 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 30 June 2024.

### Application of amendments to International Financial Reporting Standards (“**IFRSs**”)

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 July 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

The Group’s Interim Financial Statements have been reviewed by the audit committee of the Company (the “**Audit Committee**”).



#### 4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Interim Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and their accompanying disclosures. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future accounting periods.

#### 5. SEGMENT INFORMATION

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

- (a) supply of solar photovoltaic parts and equipment (“**Solar power business**”);
- (b) provision of electrical distribution system (“**Electrical distribution system business**”); and
- (c) trading of beauty and health products (“**Beauty & Health**”).

Management considers the business from product type perspective. During the six months ended 31 December 2024, the Group commenced the business engaging in trading of beauty & health product, and it is considered as a new operating and reportable segment. Management monitors the results of Solar power business, Electrical distribution system business and Beauty & Health business separately for the purpose of making decisions about resource allocation and performance assessment. Management was of the view that these three segments were mutually exclusive and distinguished from each other.

Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax from continuing operations is measured consistently with the Group’s profit before tax from continuing operations except that unallocated gains as well as head office and corporate expenses are excluded from such measurement.

There were no inter-segment sales for the six months ended 31 December 2024 and six months ended 31 December 2023.

Segment assets exclude unallocated head office and corporate assets such as certain of plant and equipment, financial assets at fair value through profit or loss, certain prepayments, deposits and other receivables, and cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude unallocated head office and corporate liabilities such as certain of other payables and lease liabilities as these liabilities are managed on a group basis.

**5. SEGMENT INFORMATION** (Continued)

Six months ended 31 December 2024

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

At 31 December 2024

	Solar power business HK\$'000 Unaudited	Electrical distribution system business HK\$'000 Unaudited	Beauty & Health HK\$'000 Unaudited	Total HK\$'000 Unaudited
<b>Segment assets:</b>				
Corporate and other unallocated assets	38,801	147,430	13,685	199,916
Total assets				8,846
<b>Segment liabilities:</b>				
Corporate and other unallocated liabilities	14,438	27,440	3,544	45,422
Total liabilities				23,131
				68,553



## 5. SEGMENT INFORMATION *(Continued)*

Six months ended 31 December 2023

	Solar power business HK\$'000 Unaudited	Electrical distribution system business HK\$'000 Unaudited	Beauty & Health HK\$'000 Unaudited	Total HK\$'000 Unaudited
<b>Segment revenue:</b>				
Sales to external customers	14,392	48,726	–	63,118
<b>Results:</b>				
Segment results before allowance for ECL	44	1,159	–	1,203
Reversal (allowance) for ECL	1,038	(12,753)	–	(11,715)
<b>Segment results</b>	<b>1,082</b>	<b>(11,594)</b>	<b>–</b>	<b>(10,512)</b>
Unallocated gain				34
Corporate and other unallocated expenses				(12,858)
Loss before tax				(23,336)

At 30 June 2024

	Solar power business HK\$'000 Unaudited	Electrical distribution system business HK\$'000 Unaudited	Beauty & Health HK\$'000 Unaudited	Total HK\$'000 Unaudited
<b>Segment assets:</b>				
Corporate and other unallocated assets	67,210	144,593	–	211,803
Total assets				15,472
<b>Segment liabilities:</b>				
Corporate and other unallocated liabilities	15,108	28,667	–	43,775
Total liabilities				31,756
				75,531

**5. SEGMENT INFORMATION** *(Continued)*

**Geographical information**

**(a) Non-current assets**

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
Mainland China	<b>10,154</b>	6,820
Hong Kong	<b>2,219</b>	955
	<b>12,373</b>	7,775

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

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



## 6. REVENUE

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

	Six months ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
	Unaudited	Unaudited
At a point in time:		
– Supply of solar photovoltaic parts and equipment	10,763	14,392
– Provision of electrical distribution system	43,695	48,726
– Sales of beauty and health products	196	–
	<b>54,654</b>	<b>63,118</b>

## 7. OTHER GAINS AND (LOSSES), NET

	Six months ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Gain on disposal of property, plant and equipment	50	–
Sample sales	38	–
Foreign exchange differences	2	–
Bank interest income	11	63
Incentives from the Singapore Government ( <i>Note (i)</i> )	–	8
Net fair value loss on financial assets at fair value through profit or loss ( <i>Note 9</i> )	(3)	(29)
Others	113	–
	<b>211</b>	<b>42</b>

*Note:*

- (i) Incentives from the Singapore Government comprise special employment credit, temporary employment credit and wages credit scheme. There are no unfulfilled conditions or contingencies relating to these incentives.



## 8. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 31 December	
	2024	2023
	HK\$'000 Unaudited	HK\$'000 Unaudited
Interest on bank borrowings	60	195
Interest on lease liability	57	83
Others	20	15
	<b>137</b>	<b>293</b>

## 9. LOSS BEFORE TAX

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

	Six months ended 31 December	
	2024	2023
	HK\$'000 Unaudited	HK\$'000 Unaudited
(a) Auditors' remuneration	570	726
Depreciation expense:		
Property, plant and equipment (Note 13)	297	33
Right-of-use asset (Note 14)	354	258
Amortisation of intangible assets	96	–
Cost of goods and services provided	51,161	60,842
Minimum lease payments under operating leases	879	994
Employee benefits	6,514	9,031
(b) Employee benefits (including Directors' remuneration):		
– Directors' emoluments	1,286	1,298
– Other staff salaries, wages and bonuses	4,728	7,066
– Other staff equity-settled share-based expense	114	236
– Retirement benefits, excluding directors' emoluments	386	431
	<b>6,514</b>	<b>9,031</b>
(c) Net fair value loss on financial assets at fair value through profit or loss (Note 7)	3	29



## 10. INCOME TAX CREDIT (EXPENSE)

	Six months ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Current – PRC		
– Charge for the period	698	653
– Overprovision in prior years	(1,757)	–
– Tax (credit) charge for the period	(1,059)	653

The tax rate for Singapore subsidiary is based on Singapore corporate income tax rate at 17% for both period.

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

On 21 March 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazette on the following day. Under the two-tiered profits tax rate regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%.

Accordingly, the Hong Kong profits tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

## 11. BASIC AND DILUTED LOSS PER SHARE

The weighted average number of equity shares refers to shares in issue during the period. The Group had no potentially dilutive ordinary shares (six months ended 31 December 2024: Nil) in issue during the period.

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

	Six months ended 31 December	
	2024 HK\$'000 Unaudited	2023 HK\$'000 Unaudited
<b>Loss</b>		
Loss attributable to equity holders of the Company, used in the basic and diluted loss per share calculation (HK\$'000)	<b>(16,309)</b>	(27,654)
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculation (in thousand)	<b>127,210</b>	83,624 (restated)
<b>Basic and diluted loss per share (HK cent)</b>	<b>12.8</b>	33.1

The weighted average number of ordinary shares for the purpose of basic loss per share for the period ended 31 December 2023 have been adjusted for right issue of shares on 8 May 2024.

Accordingly, the basic loss per share for the period ended 31 December 2023 is restated.

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

## 12. DIVIDEND

No dividend was declared for the six months ended 31 December 2024 and 2023.



### 13. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the six months ended 31 December 2024, the Group transferred construction in progress to property, plant and equipments of HK\$3,332,000 (six months ended 31 December 2023: nil) and acquired other property, plant and equipment of HK\$1,521,000 (six months ended 31 December 2023: nil).

During the six months ended 31 December 2024, the Group also disposed of certain property, plant and equipment with carrying amount of HK\$0 (six months ended 31 December 2023: nil) at net consideration of HK\$50,000 (six months ended 31 December 2023: nil), resulting in a gain on disposal of HK\$50,000 (six months ended 31 December 2023: nil).

During the current interim period, the Group acquired several trademarks of beauty and health products at a cash consideration of approximately HK\$2,070,000 (six months ended 31 December 2023: nil).

### 14. RIGHT-OF-USE ASSET

	Motor vehicle HK\$'000	Buildings leased for own used HK\$'000	Total HK\$'000
<b>Cost</b>			
<b>As at 1 July 2024 (audited)</b>	<b>1,550</b>	<b>5,118</b>	<b>6,668</b>
Addition	–	802	802
Disposal	–	(5,118)	(5,118)
<b>As at 31 December 2024 (unaudited)</b>	<b>1,550</b>	<b>802</b>	<b>2,352</b>
<b>Accumulated depreciation</b>			
As at 1 July 2024 (audited)	603	5,118	5,721
Depreciation provided for the period	258	96	354
Disposal	–	(5,118)	(5,118)
<b>As at 31 December 2024 (unaudited)</b>	<b>861</b>	<b>96</b>	<b>957</b>
<b>Net carrying amounts</b>			
<b>As at 31 December 2024 (unaudited)</b>	<b>689</b>	<b>706</b>	<b>1,395</b>
As at 30 June 2024 (audited)	947	–	947

During the current interim period, the Group entered into a new lease agreement with lease terms of approximately 2 years (six months ended 31 December 2023: nil). On date of lease commencement, the Group recognised right-of-use assets of HK\$802,000 (six months ended 31 December 2023: nil) and lease liabilities of HK\$802,000 (six months ended 31 December 2023: nil). The Group is required to make fixed monthly payments during the contract period.

## 15. TRADE RECEIVABLES, DEPOSITS AND OTHER RECEIVABLES

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
<b>Trade receivables:</b>		
Third parties		
– Gross amount	<b>220,106</b>	223,901
– Less: allowance for ECL	<b>(94,123)</b>	(89,351)
	<b>125,983</b>	134,550
<b>Deposits and other receivables:</b>		
Deposits	<b>686</b>	705
Others	<b>440</b>	298
	<b>1,126</b>	1,003
<b>Total trade receivables, deposits and other receivables</b>	<b>127,109</b>	135,553

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



## 15. TRADE RECEIVABLES, DEPOSITS AND OTHER RECEIVABLES *(Continued)*

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

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
Less than 90 days	39,791	40,426
91 to 180 days	7,015	33,301
181 to 365 days	45,962	26,409
Over 365 days	33,215	34,414
	<b>125,983</b>	134,550

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

## 16. CONTRACT ASSETS

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
Contract assets <i>(Note)</i>	10,422	7,080
Less: allowance for ECL	(3,360)	(2,347)
	<b>7,062</b>	4,733

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



## 17. PREPAYMENTS

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
Prepayments		
– Advance payments made to suppliers ( <i>Note</i> )	23,085	22,773
– Other	1,026	465
	<b>24,111</b>	<b>23,238</b>

*Note:* As at 31 December 2024, the advance payment is required when the supplier requires partial or certain percentage of the payment for the products prior to the delivery/provision of the relevant goods or services, mainly representing of approximately HK\$25,000 (30 June 2024: approximately HK\$25,000) for prepayment to supplier for photovoltaics parts and equipment, approximately HK\$18,468,000 (30 June 2024: HK\$22,748,000) for prepayment to electrical distribution system. These prepayments are made in accordance with the terms specified in the purchase contract, and the Group has also fully entered into corresponding sales contracts with customers. The remaining balances mainly represent advances to suppliers of HK\$2,553,000 for goods and services, and prepaid licence fee of HK\$2,039,000, both related to the health and beauty business.

## 18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
Listed securities held-for-trading, at fair value:		
Equity securities listed in Hong Kong	2	5

The above equity investments at 31 December 2024 and 30 June 2024 were classified as financial assets at fair value through profit or loss and were accordingly, belong to the financial assets at fair value through profit or loss category.



## 18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Stock code	Company name	No. of share held at 31 December 2024	Market value as at 31 December 2024 HK\$'000 Unaudited	Market value as at 30 June 2024 HK\$'000 Audited	Change in fair value of held-for-trading instruments for the years ended	
					31 December 2024 HK\$'000 Unaudited	31 December 2023 HK\$'000 Unaudited
164	China Baoli Technologies Holdings Limited	4,900	2	5	(3)	(6)
804	Pinestone Capital Limited	N/A	N/A	N/A	N/A	(151)
1869	Li Bao Ge Group Limited	N/A	N/A	N/A	N/A	(1)
8423	Chi Ho Development Holdings Limited	N/A	N/A	N/A	N/A	150
8293	SingAsia Holdings Limited	2,000	—*	—*	—	(21)
			2	5	(3)	(29)

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

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

## 19. TRADE AND OTHER PAYABLES

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
<b>Trade payables:</b>		
Third parties	9,206	8,747
<b>Other payables:</b>		
Accrued liabilities	4,484	4,986
VAT payable and other tax payables	20,959	21,167
Warranty provision	3,778	4,006
Contract liabilities	183	–
Others	2,669	2,133
	<b>32,073</b>	32,292
<b>Total</b>	<b>41,279</b>	41,039

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

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

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
<b>Trade payables:</b>		
Less than 90 days	86	4,330
91 to 180 days	5,052	104
181 to 270 days	4,068	4,313
	<b>9,206</b>	8,747



## 20. BANK BORROWINGS

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
Secured bank borrowings	–	3,762
Represented by: Carrying amount repayable within one year	–	3,762
	–	3,762

The bank borrowings bear interest at 0.75% over 1 year PRC Loan Price Rate per annum as at 30 June 2024.

At 30 June 2024, the Group's bank borrowings are secured by:

- (i) interest of several properties located in the PRC of the senior management of the Group; and
- (ii) personal guarantee provided by the senior management of the Group.

## 21. SHARE CAPITAL AND SHARE PREMIUM

	31 December 2024 HK\$'000 Unaudited	30 June 2024 HK\$'000 Audited
<i>Issued and fully paid:</i> 141,805,200 (30 June 2024: 125,125,200) ordinary shares of HK\$0.2 each (30 June 2024: HK\$0.2 each)	<b>28,361,040</b>	25,025,040

## 21. SHARE CAPITAL AND SHARE PREMIUM *(Continued)*

A summary of the Company's share capital and share premium is as follows:

	Number of shares in issue	Issued share capital HK\$'000	Share premium account HK\$'000	Total HK\$'000
At 1 July 2023 (audited) and 31 December 2023 (unaudited)	83,416,800	16,683	563,560	580,243
Rights issue of shares (Note (a))	41,708,400	8,342	7,611	15,953
As at 30 June 2024 (audited)	<b>125,125,200</b>	<b>25,025</b>	<b>571,171</b>	<b>596,196</b>
Issue of shares (Note (b))	<b>16,680,000</b>	<b>3,336</b>	<b>(234)</b>	<b>3,102</b>
As at 31 December 2024 (unaudited)	<b>141,805,200</b>	<b>28,361</b>	<b>570,937</b>	<b>599,298</b>

Notes:

- (a) On 8 May 2024, the Company completed 41,708,400 rights shares at a subscription price of HK\$0.4 per rights share on the basis of one rights shares for every two then existing ordinary share held. The Company raised net proceeds of approximately HK\$15,953,000 after before transaction costs amounting to approximately HK\$732,000 with the intention at the time of rights issue to develop its sale of cosmetic products business, develop solar power and electrical distribution system business and finance general working capital of the Group.
- (b) On 28 November 2024, the Company entered into a placing agreement (the "2024 Placing Agreement") with Advent Securities (Hong Kong) Limited, pursuant to which Gransing Securities Co., Limited agreed to place up to 16,680,000 new shares of the Company to not less than six placees on a best effort basis at a placing price of HK\$0.2 per placing share (the "2024 Placing"). The Placing was completed on 9 December 2024 and 16,680,000 new shares of the Company with an aggregate nominal value of HK\$3,336,000 were allotted and issued by the Company to not less than six placees who were independent individuals, corporations and/or institutional investors, who and whose ultimate beneficial owners were third parties independent of and not connected with the Company and its connected persons.



## 22. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial assets and liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### At 31 December 2024 (Unaudited)

	Financial assets at fair value through profit of loss (Level 1) HK\$'000	Financial assets at amortised cost HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss	2	–	2
Trade receivables, deposits and other receivables	–	127,109	127,109
Cash and cash equivalents	–	7,471	7,471
	<b>2</b>	<b>134,580</b>	<b>134,582</b>

### Financial liabilities

	Financial liabilities at amortised cost HK\$'000
Trade and other payables (excluding GST/VAT payable and accrued liabilities)	41,279
Amount due to a director	9,509
Lease liability	1,695
	<b>52,483</b>

## 22. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

At 30 June 2024 (Audited)

### Financial assets

	Financial assets at fair value through profit of loss (Level 1) HK\$'000	Financial assets at amortised cost HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss	5	–	5
Trade receivables, deposits and other receivables	–	135,553	135,553
Cash and cash equivalents	–	24,309	24,309
	5	159,862	159,867

### Financial liabilities

	Financial liabilities at amortised cost HK\$'000
Trade and other payables (excluding VAT payable and accrued liabilities)	10,880
Amount due to a director	11,899
Bank borrowings	3,762
Lease liabilities	1,505
	28,046



## 23. RELATED PARTY TRANSACTIONS

- (a) In addition to the related party information disclosed elsewhere in the financial statements, the following are the related party transactions entered into between the Group and its related parties that took place on terms and conditions agreed between the parties during the reporting periods:

	Notes	Six months ended 31 December	
		2024 HK\$'000 Unaudited	2023 HK\$'000 Unaudited (Restated)
Rental expense charged by – a related company	(i)	–	105

Note:

- (i) Rental expense was charged by Victrad Enterprise (Pte) Limited, a company controlled by a former key management personnel of the Group with reference to the rates of other similar premises.

### (b) Security and guarantee given by related parties

As set out in note 20, the Group's bank borrowings are secured by:

- (i) interest of several properties located in the PRC of the Group's senior management,
- (ii) personal guarantee provided by the senior management of the Group.

### (c) Compensation of key management personnel of the Group:

	Six months ended 31 December	
	2024 HK\$'000 Unaudited	2023 HK\$'000 Unaudited
Directors' emoluments	1,286	1,298
Salaries and bonuses	2,850	3,207
Equity-settled share-based expense	41	60
Pension scheme contributions	27	60
	<b>4,204</b>	<b>4,625</b>



## 24. CAPITAL COMMITMENTS

	31 December 2024 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Audited)
Capital expenditure contracted for but not provided in respect of acquisition of plant and equipment	159	377
Capital contribution payable to an associate	563	–

## 25. SHARE OPTION SCHEME

The Company has a share option scheme which was adopted at the annual general meeting of the Company held on 15 December 2023 for a period of 10 years. During the period, no share options were granted under the share option scheme of the Company. Details are set out in the section “other information” in the 2023/2024 interim report of the Company.

## 26. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The unaudited condensed consolidated interim financial information was approved and authorised for issue by the Board on 28 February 2025.