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## **Jiu Rong Holdings Limited** **久融控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2358)

### **ANNOUNCEMENT OF FINAL RESULTS** **FOR THE THE EIGHTEEN MONTHS ENDED 30 JUNE 2025**

The board (the “**Board**”) of directors (the “**Directors**”) of Jiu Rong Holdings Limited (the “**Company**”) are pleased to announce the annual results of the Company and its subsidiaries (the “**Group**”) for the eighteen months ended 30 June 2025 (the “**Period**”) together with the comparative figures for the year ended 31 December of 2023.

#### **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the eighteen months ended 30 June 2025

		<b>1 January 2024 to 30 June 2025</b>	Year ended 31 December 2023
	Notes	<b>HK\$'000</b>	HK\$'000
<b>REVENUE</b>	4	<b>875,247</b>	471,779
Cost of sales		<b>(814,433)</b>	(410,040)
<b>Gross profit</b>		<b>60,814</b>	61,739
Other income	5	<b>67,351</b>	39,496
Selling and distribution costs		<b>(55,256)</b>	(48,865)
Administrative expenses		<b>(70,843)</b>	(43,351)
Other operating expenses		<b>(1,265)</b>	(4,919)
Other gains and losses, net	6	<b>(172,299)</b>	(247,875)
Finance costs	7	<b>(83,800)</b>	(55,090)
Share of loss of associates		<b>(65,436)</b>	(87,096)

		<b>1 January 2024 to 30 June 2025 HK\$'000</b>	Year ended 31 December 2023 HK\$'000
	Notes		
<b>LOSS BEFORE TAX</b>		<b>(320,734)</b>	(385,961)
Income tax credit	9	<b>14,471</b>	2,668
<b>LOSS FOR THE PERIOD/YEAR</b>	8	<b>(306,263)</b>	(383,293)
<b>Other comprehensive expenses for the period/year, net of tax:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Fair value changes of equity investments at fair value through other comprehensive income		<b>(9,358)</b>	(539)
<b>Items that may be reclassified to profit or loss:</b>			
Share of associates' exchange differences on translating foreign operations		<b>(1,731)</b>	(7,828)
Exchange differences on translation of foreign operations		<b>(2,008)</b>	(958)
		<b>(3,739)</b>	(8,786)
<b>OTHER COMPREHENSIVE EXPENSES FOR THE PERIOD/YEAR, NET OF TAX</b>		<b>(13,097)</b>	(9,325)
<b>TOTAL COMPREHENSIVE EXPENSES FOR THE PERIOD/YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>(319,360)</b>	(392,618)
<b>LOSS PER SHARE</b>	10		
– Basic (HK cents)		<b>(5.60)</b>	(7.00)
– Diluted (HK cents)		<b>(5.60)</b>	(7.00)

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 June 2025

	Notes	As 30 June 2025 HK\$'000	As 31 December 2023 HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		303,630	400,218
Investment properties		611,061	736,434
Right-of-use assets		12,025	13,704
Investment in associates		129,471	196,563
Deferred tax assets		119	119
Equity investments at fair value through other comprehensive income		22,923	34,737
		<b>1,079,229</b>	<b>1,381,775</b>
<b>CURRENT ASSETS</b>			
Inventories		9,134	22,008
Properties held for sale		82,439	81,698
Trade receivables	12	318,071	394,453
Prepayments, deposits and other receivables		322,501	293,402
Investments at fair value through profit or loss		8,596	17,100
Tax recoverable		560	–
Pledged bank deposits		52,753	40,975
Cash and cash equivalents		2,971	4,247
		<b>797,025</b>	<b>853,883</b>
<b>CURRENT LIABILITIES</b>			
Trade and notes payables	13	652,220	1,221,696
Other payables and accruals		463,381	62,583
Lease liabilities		4,101	3,889
Contract liabilities		60,788	50,206
Bank and other loans		627,197	329,417
Deferred government grant		13,652	9,726
Tax payable		–	409
		<b>1,821,339</b>	<b>1,677,926</b>
<b>NET CURRENT LIABILITIES</b>		<b>(1,024,314)</b>	<b>(824,043)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>54,915</b>	<b>557,732</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		9,417	10,843
Deferred government grant		13,589	35,982
Deferred tax liabilities		67,801	82,114
Bank and other loans		200,532	345,857
		<b>291,339</b>	<b>474,796</b>
<b>NET (LIABILITIES)/ASSETS</b>		<b>(236,424)</b>	<b>82,936</b>
<b>EQUITY</b>			
Issued capital		547,200	547,200
Reserves		(783,624)	(464,264)
<b>TOTAL (DEFICIT)/EQUITY</b>		<b>(236,424)</b>	<b>82,936</b>

## NOTES:

### 1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRS**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations (hereinafter collectively referred to as the “**HKFRSs**”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The consolidated financial statements have been prepared under the historical cost convention as modified by investment properties, investments at fair value through profit or loss and equity investments at fair value through other comprehensive income which are carried at their fair values.

The consolidated financial statements are presented in Hong Kong dollar (“**HK\$**”), which is the functional currency of the Company. The functional currencies of its principal subsidiaries include Renminbi (“**RMB**”) and HK\$.

### 2. GOING CONCERN BASIS

The Group incurred a loss attributable to equity holders of the Company of approximately HK\$306,263,000 for the period ended 30 June 2025 and as at 30 June 2025, the Group had net current liabilities of approximately HK\$1,024,314,000 and net liabilities of approximately HK\$236,424,000. As at 30 June 2025, the Group had cash and cash equivalents of approximately HK\$2,971,000, while debts repayable within one year or on demand (including interest-bearing bank and other loans) were approximately HK\$627,197,000. As at 30 June 2025, the Group had defaulted the repayment of interest-bearing loans from an indirect shareholder of approximately HK\$414,871,000 (referred to as the “**Overdue Debts**”). These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Having taken into account (i) the Group has commenced coordination with a limited liability company incorporated in the People’s Republic of China (the “**PRC**”), specializing in new energy technology, in relation to a proposed plan to dispose of certain assets associated with the Group’s plant and machinery. The proceeds from the sale are expected to be received in accordance with a timeline established by the Group; (ii) the Group has notified and liaised with the creditors for extension/alternative refinancing of the loans that are already overdue; (iii) the Group will negotiate with its creditors and bankers for the renewal of the loans when they fall due and obtain new banking facilities; and (iv) the estimated proceeds from the placing of shares (if any), the directors are satisfied that the Group will have sufficient working capital for its present requirements. The directors are therefore of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group’s assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

### **3. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS**

In the current period, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) that are relevant to its operations and effective for its accounting year beginning on 1 January 2024. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group’s accounting policies, presentation of the Group’s consolidated financial statements and amounts reported for the current period and prior years.

The Group has not applied the new HKFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRS Accounting Standards but is not yet in a position to state whether these new HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

## 4. REVENUE AND OPERATING SEGMENT INFORMATION

### (a) Reportable segments

The chief operating decision-maker has been identified as the Board of Directors. The Board of Directors reviews the Group's internal reporting in order to assess performance and allocate resources. The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has six (31 December 2023: six) reportable segments. The segments are managed separately as each business segment offers different products and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- (i) Digital Video Business: manufacturing and sales of smart television and digital television ("TV"), high definition liquid crystal display TV and set-top box as well as provision of application of solutions regarding integration of tele-communication, TV and internet in the digital audio visual industry.
- (ii) New Energy Vehicles Business: construction, application and management of new energy vehicles and related products, charging facilities and intelligent management systems and processing services in relation to new energy vehicles spare parts.
- (iii) Cloud Ecological Big Data Business: application and management of cloud ecological big data industry.
- (iv) Properties Development: properties development of an industrial park and sale of construction materials.
- (v) Properties Investment: properties investment for rental income in an industrial park.
- (vi) General trading.

The revenue is analysed as follows:

<b>Revenue</b>	<b>1 January 2024 to 30 June 2025 HK\$'000</b>	<b>Year ended 31 December 2023 HK\$'000</b>
Sale of digital video products	<b>465,032</b>	229,223
Provision of new energy vehicles charging services income	<b>198,791</b>	176,921
Processing income related to new energy vehicles spare parts	<b>183,758</b>	34,356
Provision of big data services income	<b>4,472</b>	2,799
Sale of construction materials	–	1,294
General trading	–	3,858
Revenue from contracts with customers	<b>852,053</b>	448,451
Rental income	<b>23,194</b>	23,328
<b>Total revenue</b>	<b>875,247</b>	471,779

(i) *Business segments*

	For the eighteen months ended 30 June 2025						
	Cloud						Total HK\$'000
	Digital	New Energy	Ecological				
	Video	Vehicles	Big Data	Properties	Properties	General	
	Business	Business	Business	Development	Investment	trading	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Reportable segment revenue:							
Revenue from external customers	465,032	382,549	4,472	-	23,194	-	875,247
Reportable segment loss	(77,998)	(38,924)	(39,708)	(65,436)	(84,224)	-	(306,290)
Depreciation of property, plant and equipment	(139)	(82,703)	(79)	-	(218)	-	(83,139)
Government grants	1,254	23,361	23	-	-	-	24,638
Loss on disposal of investments at fair value through profit or loss	(96)	-	-	-	-	-	(96)
Income tax credit/(expense)	(414)	(1,929)	-	-	16,814	-	14,471
Share of profit of an associate	-	-	-	(65,436)	-	-	(65,436)
Loss on fair value changes of investment properties	-	-	-	-	(120,803)	-	(120,803)
Additions to property, plant and equipment	258	37,786	-	-	-	-	38,044
At 30 June 2025							
	Cloud						Total HK\$'000
	Digital	New Energy	Ecological				
	Video	Vehicles	Big Data	Properties	Properties	General	
	Business	Business	Business	Development	Investment	trading	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Reportable segment assets	588,181	432,402	3,141	85,893	619,263	-	1,728,880
Reportable segment liabilities	(872,790)	(667,745)	(232,315)	(33,996)	(302,415)	-	(2,109,261)
Investment in associates	-	-	-	129,471	-	-	129,471



For the year ended 31 December 2023

	Cloud						
	Digital	New Energy	Ecological				
	Video	Vehicles	Big Data	Properties	Properties	General	Total
	Business	Business	Business	Development	Investment	trading	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Reportable segment revenue:							
Revenue from external customers	229,223	211,277	2,799	1,294	23,328	3,858	471,779
Reportable segment (loss)/profit	(182,943)	(146)	(8,220)	(77,762)	(124,972)	3,858	(390,185)
Depreciation of property, plant and equipment	(6,729)	(59,245)	(61)	–	(216)	–	(66,251)
Government grants	272	10,580	221	–	–	–	11,073
Gain on disposal of investments at fair value through profit or loss	8,782	482	–	–	–	–	9,264
Income tax credit/(expenses)	–	(854)	–	–	3,522	–	2,668
Share of loss of associates	–	–	–	(87,096)	–	–	(87,096)
Loss on fair value changes of investment properties	–	–	–	–	(25,723)	–	(25,723)
Additions to property, plant and equipment	390	20,514	2,476	–	5	–	23,385

At 31 December 2023

	Cloud						
	Digital	New Energy	Ecological				
	Video	Vehicles	Big Data	Properties	Properties	General	Total
	Business	Business	Business	Development	Investment	trading	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Reportable segment assets	442,320	511,073	7,954	81,698	806,819	162,413	2,012,277
Reportable segment liabilities	(545,248)	(426,626)	(3,529)	(32,356)	(343,918)	(797,984)	(2,149,661)
Investment in associates	–	–	–	196,563	–	–	196,563

(ii) *Reconciliations of reportable segment revenue, profit or loss, assets and liabilities:*

	<b>1 January 2024 to 30 June 2025 HK\$'000</b>	<b>Year ended 31 December 2023 HK\$'000</b>
<hr/>		
<b>Revenue</b>		
Total revenue of reportable segments	<b>875,247</b>	471,779
<hr/>		
<b>Profit or loss</b>		
Total loss reportable segments	<b>(306,290)</b>	(390,185)
Unallocated corporate (expenses)/income, net	<b>(14,444)</b>	4,224
<hr/>		
Consolidated loss before tax	<b>(320,734)</b>	(385,961)
<hr/>		
	<b>At 30 June 2025 HK\$'000</b>	<b>At 31 December 2023 HK\$'000</b>
<hr/>		
<b>Assets</b>		
Total assets of reportable segments	<b>1,858,351</b>	2,208,840
Unallocated amounts:		
Cash and cash equivalents	<b>94</b>	267
Other unallocated corporate assets	<b>17,809</b>	26,551
<hr/>		
Consolidated total assets	<b>1,876,254</b>	2,235,658
<hr/>		
<b>Liabilities</b>		
Total liabilities of reportable segments	<b>(2,109,261)</b>	(2,149,661)
Unallocated corporate liabilities	<b>(3,417)</b>	(3,061)
<hr/>		
Consolidated total liabilities	<b>(2,112,678)</b>	(2,152,722)
<hr/>		

(b) Geographical information

The Group is domiciled in the PRC. The following tables provide an analysis of the Group's revenue from external customers and non-current assets including property, plant and equipment, right-of-use assets and investment properties ("**Non-current assets**").

	<b>Revenue from external customers</b>	
	<b>1 January 2024 to 30 June 2025 HK\$'000</b>	Year ended 31 December 2023 HK\$'000
The PRC	<b>875,247</b>	470,986
Hong Kong	–	793
<b>Total</b>	<b>875,247</b>	471,779

	<b>Non-current assets</b>	
	<b>30 June 2025 HK\$'000</b>	31 December 2023 HK\$'000
The PRC	<b>926,669</b>	1,150,287
Hong Kong	<b>47</b>	69
<b>Total</b>	<b>926,716</b>	1,150,356

(c) Information about major customers

Revenue from major customers, each of whom accounted for 10% or more of the total revenue is set out below:

			<b>1 January 2024 to 30 June 2025 HK\$'000</b>	Year ended 31 December 2023 HK\$'000
	Segment	Note		
Customer A	New Energy Vehicles Business		<b>147,750</b>	129,717
Customer B	Digital Video Business		<b>104,083</b>	74,193
Customer C	Digital Video Business	(i)	<b>103,763</b>	N/A

Note:

(i) Revenue from this customer did not exceed 10% of total revenue in the year ended 31 December 2023.

(d) Disaggregation of revenue from contracts with customers

1 January 2024 to 30 June 2025						
Segments	Cloud					Total HK\$'000
	Digital	New Energy	Ecological	Properties Development HK\$'000	General trading HK\$'000	
	Video	Vehicles	Big Data			
	Business HK\$'000	Business HK\$'000	Business HK\$'000			
<u>Geographical markets</u>						
PRC	465,032	382,549	4,472	-	-	852,053
Hong Kong	-	-	-	-	-	-
Total	465,032	382,549	4,472	-	-	852,053
<u>Major products/service</u>						
Sale of digital video products	465,032	-	-	-	-	465,032
Provision of new energy vehicles charging services income	-	198,791	-	-	-	198,791
Processing income related to new energy vehicle spare parts	-	183,758	-	-	-	183,758
Provision of big data services income	-	-	4,472	-	-	4,472
Sale of construction materials	-	-	-	-	-	-
General trading	-	-	-	-	-	-
Total	465,032	382,549	4,472	-	-	852,053
	465,032	382,549	4,472	-	-	852,053

Year ended 31 December 2023

Segments	Digital	New Energy	Cloud			
	Video	Vehicles	Ecological	Properties	General	
	Business	Business	Business	Development	trading	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<u>Geographical markets</u>						
The PRC	229,223	211,277	2,799	1,294	3,065	447,658
Hong Kong	–	–	–	–	793	793
Total	229,223	211,277	2,799	1,294	3,858	448,451
<u>Major products/service</u>						
Sale of digital video products	229,223	–	–	–	–	229,223
Provision of new energy vehicles charging services income	–	176,921	–	–	–	176,921
Processing income related to new energy vehicle spare parts	–	34,356	–	–	–	34,356
Provision of big data services income	–	–	2,799	–	–	2,799
Sale of construction materials	–	–	–	1,294	–	1,294
General trading	–	–	–	–	3,858	3,858
Total	229,223	211,277	2,799	1,294	3,858	448,451
<u>Timing of revenue recognition</u>						
At a point in time	229,223	211,277	2,799	1,294	3,858	448,451

#### *Digital Video Business*

The Group manufactures and sells smart TV and digital TV, high definition liquid crystal display TV and set-top box as well as provision of application of solutions regarding integration of telecommunication, TV and internet in the digital audio visual industry. Sales are recognised when control of the products has transferred, being when the products are delivered to a customer, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the customer has obtained legal titles to the products.

Sales to customers are normally made with credit terms of 30 to 360 days. For new customers, deposits or cash on delivery may be required. Deposits received are recognised as a contract liability.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

#### *New Energy Vehicles Business*

The Group provides construction, application and management of new energy vehicles and related products, charging facilities, intelligent management systems and processing services in relation to new energy vehicles spare parts. The New Energy Vehicles charging services income and processing services are recognised when the charging service is rendered and there is no unfulfilled obligation that could affect the customer's acceptance of the service. The charging services incomes are normally made with credit terms of payment on demand.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

#### *Cloud Ecological Big Data Business*

The Group provides application and management of cloud ecological big data services to customers. The income is recognised when the service is rendered and there is no unfulfilled obligation that could affect the customer's acceptance of the service.

#### *Properties Development*

The Group develops and sells properties to the customers. Sales of a contract are recognised when control of the property has transferred, being when the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable. Sales of construction materials are recognised when control of the products has transferred.

### *General trading*

Sales are recognised when control of the products has transferred, being when the products are delivered to a customer, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the customer has obtained legal titles to the products.

Handling and agency service income are recognised when the services are rendered.

Sales to customers are normally made with credit terms of 30 to 360 days. For new customers, deposits or cash on delivery may be required. Deposits received are recognised as a contract liability.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

## **5. OTHER INCOME**

	<b>1 January 2024 to 30 June 2025 HK\$'000</b>	<b>Year ended 31 December 2023 HK\$'000</b>
Bank interest income	<b>541</b>	1,370
Written off of trade payable	–	3,827
Interest income from third parties	–	5,497
Interest income from associates	<b>35,964</b>	8,040
Government grants	<b>24,638</b>	11,073
Reversal of impairment of inventories	–	13
Gain on disposal of property, plant and equipment	–	616
Penalty income from breach of contract	<b>1,525</b>	–
Exchange differences	–	8,753
Others	<b>4,683</b>	307
	<b>67,351</b>	39,496

## 6. OTHER GAINS AND LOSSES, NET

	<b>1 January 2024 to 30 June 2025 HK\$'000</b>	<b>Year ended 31 December 2023 HK\$'000</b>
Expected credit loss recognised on trade receivables	<b>(10,031)</b>	(98,193)
Expected credit loss recognised on other receivables	<b>(15,193)</b>	(51,168)
Impairment loss on property, plant and equipment	–	(91,655)
Loss on disposal of property, plant and equipment	<b>(14,022)</b>	–
Fair value (loss)/gain on investments at fair value through profit or loss	<b>(7,106)</b>	9,600
Fair value changes of investment properties	<b>(120,803)</b>	(25,723)
Exchange loss, net	<b>(5,048)</b>	–
(Loss)/gain on disposal of investments at fair value through profit or loss	<b>(96)</b>	9,264
	<b>(172,299)</b>	(247,875)

## 7. FINANCE COSTS

	<b>1 January 2024 to 30 June 2025 HK\$'000</b>	<b>Year ended 31 December 2023 HK\$'000</b>
Interest expenses on borrowings:		
– Interest on bank and other loans	<b>69,367</b>	47,543
– Interest on notes payable	<b>12,343</b>	6,476
– Interest on lease liabilities	<b>2,090</b>	1,071
	<b>83,800</b>	55,090



## 8. LOSS FOR THE PERIOD/YEAR

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

	<b>1 January 2024 to 30 June 2025 HK\$'000</b>	Year ended 31 December 2023 HK\$'000
Cost of inventories sold	<b>814,433</b>	410,040
Staff costs (including directors' remuneration):		
Wages and salaries	<b>89,863</b>	71,575
Pension scheme contributions		
– Defined contribution scheme	<b>12,283</b>	10,002
Other staff benefits	<b>9,692</b>	8,986
	<b>111,838</b>	90,563
Auditors' remuneration	<b>1,800</b>	1,120
Depreciation of property, plant and equipment	<b>83,161</b>	66,258
Depreciation of right of use assets	<b>6,210</b>	3,174
Expenses related to short-term leases	<b>7,034</b>	13,050
Exchange loss/(gain), net	<b>5,048</b>	(8,753)
Loss/(gain) on disposal of property, plant and equipment	<b>14,022</b>	(616)
Written off of property, plant and equipment	<b>15,379</b>	1,041
Loss/(gain) on disposal of investments at fair value through profit or loss	<b>96</b>	(9,264)
Fair value loss/(gain) on investments at fair value through profit or loss	<b>7,106</b>	(9,600)
Fair value loss on investment property	<b>120,803</b>	25,723
Trade receivable written off	–	3,869
Impairment loss on property, plant and equipment	–	91,655
Reversal of impairment of inventories	–	(13)

## 9. INCOME TAX CREDIT

Hong Kong Profits Tax has been provided at a rate of 16.5% (Year ended 31 December 2023: 16.5%) on the estimated assessable profit for the eighteen months ended 30 June 2025.

PRC corporate income tax is calculated at a standard rate of 25% (Year ended 31 December 2023: 25%) except for Jiu Rong New Energy Science and Technology Limited ("**Jiu Rong New Energy**") and Hangzhou Yunqi Cloud Data Limited ("**Yunqi Cloud Data**") on the estimated assessable profits arising from its operation in the PRC. For the eighteen months ended 30 June 2025, Jiu Rong New Energy and Yunqi Cloud Data have obtained the new high-tech enterprise certificate and entitled for a preferential tax rate of 15% (Year ended 31 December 2023: 15% for Jiu Rong New Energy).

The amount of income tax credit includes in profit or loss represents:

	<b>1 January 2024 to 30 June 2025 HK\$'000</b>	Year ended 31 December 2023 HK\$'000
Current tax – Hong Kong Profits Tax		
– Provision for charge for the period/year	–	–
	–	–
Current – the PRC		
– (Credit)/charge for the period/year	(436)	854
Deferred tax	(14,035)	(3,522)
	(14,471)	(2,668)

The income tax credit for the period/year can be reconciled to the loss for the period/year multiplied by applicable tax rate as follows:

	<b>1 January 2024 to 30 June 2025 HK\$'000</b>	Year ended 31 December 2023 HK\$'000
Loss before tax	(320,734)	(385,961)
Tax calculated at the domestic tax rate of 16.5% (Year ended 31 December 2023: 16.5%)	(52,921)	(63,684)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(52,921)	(31,222)
Tax effect of revenue not taxable for tax purposes	(1,704)	(2,474)
Tax effect of expenses not deductible for tax purposes	10,066	12,937
Tax effect of temporary differences not recognised	27,338	58,778
Tax effect of tax losses not recognised	21,701	22,997
Income tax credit	(14,471)	(2,668)

At 30 June 2025, the Group has unused tax losses of approximately HK\$462,462,000 (31 December 2023: HK\$371,213,000) available for offset against future profits. The said unrecognised tax losses may be carried forward for five years or indefinitely depends on the respective tax jurisdictions. In the eighteen months ended 30 June 2025, no tax assets have been recognised in respect of the unused tax loss of approximately HK\$461,741,000 (for the year ended 31 December 2023: HK\$370,491,000).

## 10. LOSS PER SHARE

### Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the period/year attributable to owners of the Company of approximately HK\$306,263,000 (for the year ended 31 December 2023: loss of approximately HK\$383,293,000) and the weighted average number of approximately 5,472,000,000 (for the year ended 31 December 2023: 5,472,000,000) ordinary shares in issue during the period.

### Diluted loss per share

The effect of the Company's outstanding share options for the eighteen months ended 30 June 2025 and year ended 31 December 2023 did not give rise to any dilution effect to the loss per share.

## 11. DIVIDEND

The Directors do not recommend the payment of any dividend for each of the eighteen months ended 30 June 2025 and year ended 31 December 2023.

## 12. TRADE RECEIVABLES

	<b>30 June 2025 HK\$'000</b>	<b>31 December 2023 HK\$'000</b>
Trade receivables	<b>425,945</b>	493,112
Provision for loss allowance	<b>(107,874)</b>	(98,659)
	<b>318,071</b>	394,453

The Group's trading terms with its customers are mainly on credit, except for the new customers, where payment in advance is normally required. The credit period generally ranges from 0 to 360 days (Year ended 31 December 2023: 0 to 360 days). Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest bearing.

An aged analysis of trade receivables, as at the end of the reporting periods based on the goods delivery date, and net of impairments, is as follows:

	<b>30 June 2025 HK\$'000</b>	<b>31 December 2023 HK\$'000</b>
Within 90 days	<b>1,833</b>	79,267
91 days to 180 days	<b>19,872</b>	1,462
181 days to 1 year	<b>301</b>	6,651
Over 1 year	<b>296,065</b>	307,073
	<b>318,071</b>	394,453

As at 30 June 2025, approximately HK\$14,140,000 (31 December 2023: HK\$13,537,000) of trade receivables were pledged to a bank to secure bank loans as set out in note 35 to the consolidated financial statements.

Reconciliation of loss allowance for trade receivables:

	<b>30 June 2025 HK\$'000</b>	<b>31 December 2023 HK\$'000</b>
At 1 January	<b>98,659</b>	957
Increase in loss allowance for the period/year	<b>10,031</b>	98,193
Exchange differences	<b>(816)</b>	(491)
At 30 June/31 December	<b>107,874</b>	98,659

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

	<b>Current</b>	<b>Over 30 days past due</b>	<b>Over 90 days past due</b>	<b>Over 180 days past due</b>	<b>Over 365 days past due</b>	<b>Total</b>
At 30 June 2025						
Weighted average expected loss rate	0%	0%	0%	0%	27.2%	25.3%
Receivable amount (HK\$'000)	28,250	65	130	295	397,205	425,945
Loss allowance (HK\$'000)	–	–	–	–	(107,874)	(107,874)
At 31 December 2023						
Weighted average expected loss rate	0%	0%	0%	0%	24.2%	20.0%
Receivable amount (HK\$'000)	84,623	125	72	247	408,045	493,112
Loss allowance (HK\$'000)	–	–	–	–	(98,659)	(98,659)

The expected credit loss provision for trade receivables of approximately HK\$10,031,000 (31 December 2023: HK\$98,659,000) for the eighteen months ended 30 June 2025 was determined with reference to the valuation report provided by an independent qualified professional valuer, BonVision International Appraisals Limited, using the probability default method. The major inputs used in the valuation include probability of default, credit rating specific factor, country specific factor, recovery rate.

### 13. TRADE AND NOTES PAYABLES

	<b>30 June 2025 HK\$'000</b>	31 December 2023 HK\$'000
Trade payables	<b>474,684</b>	944,651
Notes payables	<b>177,536</b>	277,045
	<b>652,220</b>	1,221,696

As at 30 June 2025 and 31 December 2023, certain notes payables were secured by the Group's investment properties, properties held for sale and pledged bank deposits.

An aged analysis of trade payables, based on the invoice date, is as follows:

	<b>30 June 2025 HK\$'000</b>	31 December 2023 HK\$'000
<u>Outstanding balances with ages:</u>		
Within 180 days	<b>32,319</b>	127,331
181 days to 1 year	<b>9,040</b>	35,967
1 to 2 years	<b>104,352</b>	719,949
Over 2 years	<b>328,973</b>	61,404
	<b>474,684</b>	944,651

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### Overall Financial Results

The board (the “**Board**”) of directors (the “**Directors**”) of Jiu Rong Holdings Limited (the “**Company**”) is pleased to present this annual result and audited consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the eighteen months ended 30 June 2025 (the “**Period**”) to the shareholders of the Company.

For the eighteen months ended 30 June 2025, the Group achieved turnover of approximately HK\$875,247,000, representing an increase of approximately 86% from approximately HK\$471,779,000 in the year ended 31 December 2023. The Group recorded gross profit of approximately HK\$60,814,000, representing a decrease of approximately 1% from approximately HK\$61,739,000 in the year ended 31 December 2023. The Group incurred a loss of approximately HK\$306,263,000, representing a decrease of approximately 20% from approximately HK\$383,293,000 in the year ended 31 December 2023. For the year ended 31 December 2023, basic loss per share of the Company was approximately HK7.00 cents while basic loss per share for the eighteen months ended 30 June 2025 was approximately HK5.60 cents. As at 30 June 2025, balance of cash and cash equivalents of the Group were approximately HK\$2,971,000 (2023: approximately HK\$4,247,000).

#### Turnover

For the Period under review, the Group recorded turnover of approximately HK\$875,247,000 which was mainly contributed by the Digital Video Business, the New Energy Vehicles Business, Cloud Ecological Big Data Business, Properties Investments, Properties Development and general trading.

In 2025, the Group’s business has six (2023: six) reporting segments.

#### Business Operations

##### (i) *Digital Video Business*

The Group through its wholly owned subsidiaries, Soyea Jiu Rong Technology Co., Ltd.\* (數源久融技術有限公司) (“**Soyea Jiu Rong**”) and Zhe Jiang Jiu Rong Intelligent Technology Limited\* (浙江久融智能技術有限公司) (“**Jiu Rong Intelligent**”) carries out the research and development, manufacturing and sales of smart television and digital television (“**TV**”), high definition liquid crystal display TV and set-top box as well as provision of application of solutions regarding integration of tele-communication, TV and internet in the digital audio visual industry.

##### (ii) *New Energy Vehicles Business*

The Group through its wholly owned subsidiary, Jiu Rong New Energy Science and Technology Limited\* (久融新能源科技有限公司) (“**Jiu Rong New Energy**”) carries out the construction, application and management of new energy vehicles and related products, charging facilities and intelligent management systems and processing services in relation to new energy vehicles spare parts.

\* For identification purpose only

(iii) *Cloud Ecological Big Data Business*

The Group through its wholly owned subsidiary, Hangzhou Yunqi Cloud Data Limited\* (杭州雲棲雲數據有限公司) ("**Yunqi Cloud Data**") carries out the application and management of cloud ecological big data.

(iv) *Properties Development*

The Group through its wholly owned subsidiary, Hangzhou Lu Yun Property Limited\* (杭州綠雲置業有限公司) ("**Lu Yun**") carries out the properties development of big data industrial park in Hangzhou. It is expected that the park will establish a "Cloud Ecological System" to build a new generation of information technology (such as AR/VR, face recognition, digital maps, etc.) and communication technology, such as Internet of Things, big data, cloud computing, (such as 5G, LTE-V, NB-IOT, etc.) throughout the cloud industry park in all aspects, to create the country's first all-intelligent perception, interoperability cloud ecological park. The Group completed (i) the acquisition of 46% equity interests of Heilongjiang Xin Luzhou Real Estate Development Limited\* (黑龍江新綠洲房地產開發有限公司) ("**Xin Luzhou**") in 2018, Xin Luzhou will be an associate of the Company to principally engage in the development of industrial park, commercial and residential properties in Limin Avenue, Limin Development Zone, Harbin, the PRC; and (ii) the formation of Wen Zhou Jing Du Guan Rong Technology Co., Limited\* (溫州市景都冠榮科技有限公司) ("**Jing Du Guan Rong**") in 2022, Lu Yun is interested in 48% equity interests in Jing Du Guan Rong and Jing Du Guan Rong will be an associate of the Company to principally engaged in the industrial park and Properties Development business. In the fourth quarter of 2023, Jing Du Guan Rong terminated the property development project and applied to the relevant government authorities to withdraw the land-use rights.

(v) *Properties Investments*

The Group through its wholly owned subsidiary, Lu Yun to conduct the properties investment for rental income from the big data industrial park in Hangzhou. The property is located at Liuhe Mansion, Shanjing Road, West Lake District, Hangzhou, Zhejiang Province, the PRC. It comprises seven mixed-use commercial and office buildings with a total of 164 property units and 378 parking spaces. The land use right is for a term of 40 years, expiring on 27 June 2050.

(vi) *General Trading*

General trading of commodities and goods.

Gross Profit Margin

During the Period under review, the gross profit margin decreased from approximately 13.09% to 6.95%.

\* For identification purpose only

## Expenses

During the Period under review, the Group continued to enforce stringent cost control measures across its operations. Management remains committed to maintaining robust expense discipline as a means of safeguarding financial stability and enhancing shareholder value. To this end, the Group further strengthened its cost control framework through regular reviews and updates to internal procedures, ensuring that efficiency targets are consistently met.

## Financial Position and Liquidity

As at 30 June 2025, the gearing ratio was 0.74 (2023: 0.74), which was measured on the basis of the Group's net debt divided by the capital plus net debt. The Group had net current liabilities as at 30 June 2025 and 31 December 2023.

For the Period under review, the Group used approximately HK\$316,849,000 (2023: used approximately HK\$1,156,000) of cash in its operations. As at 30 June 2025, the Group had cash and cash equivalents of approximately HK\$2,971,000 (2023: approximately HK\$4,247,000).

As at 30 June 2025, deficit in shareholders' equity was approximately HK\$236,424,000 (2023: surplus in shareholders' equity of approximately HK\$82,936,000). Current assets of the Group amounted to approximately HK\$797,025,000 (2023: HK\$853,883,000).

As at 30 June 2025, the Group's net debts amounted to approximately HK\$2,056,955,000 (2023: net debts of approximately HK\$2,107,091,000). Trade and notes receivables decreased from approximately HK\$394,453,000 as at 31 December 2023 to approximately HK\$318,071,000 as at 30 June 2025.

During the Period under review, the Group provided an expected credit loss of approximately HK\$10,031,000 on trade receivables (2023: approximately HK\$98,193,000), an expected credit loss on other receivables of approximately HK\$15,193,000 (2023: approximately HK\$51,168,000) and an impairment loss on property, plant and equipment of HK\$Nil (2023: HK\$91,655,000).

In 2024 and the first half of 2025, the downturn in China's property market resulted in significant fair value losses on the Group's investment properties of approximately HK\$120,803,000 (2023: approximately HK\$25,723,000). In 2025, the escalation of tariff-related tensions posed considerable challenges for small and medium-sized enterprises in China, adversely affecting their cash flow and profitability. Consequently, there was a continued increase in the number of defaults and overdue repayments by debtors. Given the heightened credit risk and limited recovery prospects, the Group's debtors have faced ongoing difficulties in resuming normal business operations. As a result, the Group has recognised further impairment losses.



## Pledged of Assets

As at 30 June 2025, the Group has pledged certain of its bank deposit of approximately HK\$52,753,000 (2023: HK\$40,975,000), properties held for sale of approximately HK\$82,439,000 (2023: HK\$68,163,000), investment properties of approximately HK\$603,090,000 (2023: HK\$654,071,000) and trade receivables of approximately HK\$14,140,000 (2023: HK\$13,537,000) to secure bank loans and its notes payables.

## Significant Investments, significant acquisitions and disposals

During the period under review, as disclosed in the Company's circular dated 26 May 2025 titled "Major Transaction in Relation to the Disposal of Sale Shares", the Group disposed of all equity investments listed outside Hong Kong that were classified as equity investments at fair value through other comprehensive income, is expected resulting in a disposal gain of approximately HK\$22,834,000.

Furthermore, as disclosed in the Company's circular dated 26 May 2025 titled "Possible Major Transaction – Mandate For Disposal(s) of Listed Securities", the Company disposed of a total of 7,570,000 shares in Sundry Service Group Limited, classified as investments at fair value through profit or loss, on the open market between 11 November 2024 and 3 March 2025, at prices ranging from approximately HK\$0.162 to HK\$0.230 per share.

Since the issuance of the aforementioned circular, the Company has not undertaken any further disposals of the said listed securities. Save as disclosed above, during the reporting period, the Group did not hold any major investments, nor did it have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

## Capital Structure

During the Period under review, there was no change in the Company's capital structure.

## Risk of Intense Competition

The Group's Digital Video Business faces intense competition and such competition puts downward pressure on the price of the products of the Digital Video Business. The Group's market position depends on the ability to estimate and manage competition, including the introduction of new or improved products and services, pricing strategies of competitors and preferences of customers. If the Group fails to maintain competitive price of similar products or services or provide distinctive products or services, it may lose its customers to competitors. Moreover, competition may cause reduction in price, gross profit margin and market share of the Group.

## Risk of Unstable Electricity Supply

The New Energy Vehicles Business relies on stable supplies of electricity to charge electric vehicles. In order to ensure the stable supply of electricity and lower the electricity cost, the charging session mainly scheduled from mid night to 4 a.m. whereas the social demand of electricity and electricity fee is at the lowest level.

## Charging Safety

The most critical risk of the New Energy Vehicles Business is charging safety. The Group has implemented staff manual to guide the staff how to operate the charging piles and the charging piles will stop automatically when abnormal charging incidents happened so as to keep the high safety level.

## Foreign Exchange and Currency Risks

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

## Contingent Liabilities and Capital Commitments

The Group does not have any contingent liability in the Period under review (2023: Nil). The Group had capital commitment of approximately HK\$17,385,000 in the Period under review (2023: approximately HK\$150,449,000).

## Employees and Remuneration Policy

As at 30 June 2025, there were 248 employees (2023: 395 employees) in the Group. The total amount of employee remuneration incurred for the Period was approximately HK\$111,838,000 (2023: approximately HK\$90,563,000). The Group determines employees' remuneration by the work responsibilities, job performance and professional experience. The Group also provides employees on-job training from time to time to upgrade the knowledge, skills and overall calibre of its employees.

The Group operates a Mandatory Provident Fund scheme (the "**MPF Scheme**") for the benefit of its employees in Hong Kong. Contributions to the MPF Scheme are made in accordance with the statutory limits prescribed by the Mandatory Provident Fund Schemes Ordinance. Pursuant to the relevant laws and regulations in the PRC, the Group participates in the defined contribution retirement schemes for its employees, which are administered by local government labour and social security authorities (the "**PRC Retirement Schemes**"). The Group makes contributions to these schemes at the applicable rates based on amounts stipulated by the local government authorities. Upon retirement, the local government labour and social security authorities are responsible for the payment of retirement benefits to the retired employees.

The assets of the MPF Scheme and the PRC Retirement Schemes are held separately from those of the Group, are independently administered and are not included in the consolidated statement of financial position. Contributions are charged to profit or loss as incurred. Forfeited contributions represent contributions made for employees who leave prior to vesting and are retained by the employer. There were no forfeited contributions during the eighteen months ended 30 June 2025.

The Company's directors' remuneration policy is designed to attract, retain and motivate high-calibre directors by offering a competitive remuneration package that reflects their responsibilities, experience and prevailing market conditions. The remuneration components for the Executive Directors primarily comprise basic salary, discretionary bonuses linked to their performance, and other benefits such as allowances and retirement schemes. Independent Non-Executive Directors receive fixed fees in recognition of their oversight and advisory roles, without equity-based incentives, in order to maintain their independence and objectivity.

Senior management remuneration is structured according to levels of responsibility and performance achievements, ensuring alignment with the Company's strategic objectives and the creation of long-term shareholder value. The Board reviews the remuneration policy annually and, where necessary, seeks advice from independent remuneration consultants to ensure that it remains appropriate and competitive.

Detailed disclosure of the remuneration paid to individual directors and senior management, categorised by remuneration bands, is provided in the section entitled "Directors' and Five Highest Paid Individuals' Emoluments" in the notes to the consolidated financial statements.

#### Event After the Reporting Period

On 28 August 2025, the Group disposed of approximately 5.22% of the equity interest in Hangzhou East Software Park Co., Ltd. to Hangzhou Yihe Network Co., Ltd. for a consideration of RMB36,487,800.

On 10 September 2025, the Group entered into an equity transaction agreement with Nanjing GWDR Power Technology Co., Ltd., pursuant to which the Group agreed to transfer 100% of the equity interest in its indirect wholly-owned subsidiary, Jiangsu Jiurong Integrated Energy Service Limited ("**Jiangsu Jiurong**"), together with 13 electric vehicle charging stations, for a consideration of RMB6,870,000 and a transaction service fee of RMB124,004. The purchaser also agreed to repay, on behalf of Jiangsu Jiurong, a loan owed to the Group in the principal amount of RMB1,060,000 together with accrued interest of approximately RMB18,000.

On 15 September 2025, Soyea Jiu Rong, an indirect wholly-owned subsidiary of the Company, Yunqi Cloud Data, an indirect wholly-owned subsidiary of the Company, Westlake Electronics Group Co., Ltd. ("**Westlake Electronics**"), a creditor of Soyea Jiu Rong, entered into a claim swap agreement with Hangzhou Soyea Park Development Co., Ltd. ("**Hangzhou Soyea**"), a creditor of Yunqi Cloud Data. Pursuant to this agreement, the repayment obligation of RMB148,600,000 (equivalent to approximately HK\$162,836,000) from Soyea Jiu Rong to Westlake Electronics was transferred to Yunqi Cloud Data, the repayment obligation of RMB148,600,000 (equivalent to approximately HK\$162,836,000) from Yunqi Cloud Data to Hangzhou Soyea was transferred to Soyea Jiu Rong. Soyea Jiu Rong and Suzhou Sutou Precious Metals Culture Development Co., Ltd. ("**Suzhou Sutou**"), a debtor of Soyea Jiu Rong entered into a debt agreement with Hangzhou Soyea, a creditor of Soyea Jiu Rong. Pursuant to this agreement, Suzhou Sutou repaid the debt amounting to RMB99,111,000 (equivalent to approximately HK\$108,606,000) to Hangzhou Soyea on behalf of Soyea Jiu Rong, resulting in the netting off between the amounts due from Suzhou Sutou and the amounts due to Hangzhou Soyea.

## BUSINESS REVIEW AND OUTLOOK

The Group's strategy is to leverage its diversified business portfolio to capture opportunities in technology-driven sectors while maintaining prudent risk management and cost control.

The Group is principally engaged in (1) manufacturing and sales of smart television and digital television ("**TV**"), high definition liquid crystal display TV and set-top box as well as provision of application of solutions regarding integration of telecommunication, TV and internet in the digital video industry ("**Digital Video Business**"); (2) the construction, application and management of new energy vehicles and related products, charging facilities and intelligent management systems and processing services in relation to new energy vehicles spare parts ("**New Energy Vehicles Business**"); (3) the application and management of cloud ecological big data industry ("**Cloud Ecological Big Data Business**"); (4) properties development of big data industrial park commercial and residential properties ("**Properties Development**"); (5) properties investment for rental income from the big data industrial park ("**Properties Investments**"); and (6) general trading of commodities and goods ("**General Trading**").

The year 2025 continued to present challenges for the Group. From 2024 through the first half of 2025, the challenges facing China's real estate market have persisted, with market adjustments expected to require further time to stabilise. In addition, rising external uncertainties, particularly the continued trade tensions between China and the United States throughout the Year, have culminated in a tariff war in 2025, posing significant challenges to China's small and medium-sized enterprises. The global economic slowdown has led to weakened demand, placing increased pressure on exports and further dampening domestic consumption. Consumer confidence remains subdued. The Group incurred a loss of approximately HK\$306,827,000 for the period ended 30 June 2025 (2023: loss of approximately HK\$383,293,000).

The Group has recorded a increase in turnover from the Digital Video Business to approximately HK\$465,032,000 for the eighteen months ended 30 June 2025 (2023: approximately HK\$229,223,000), representing an increase of approximately 103% as compared with last year.

The New Energy Vehicles Business recorded turnover of approximately HK\$382,549,000 for the eighteen months ended 30 June 2025 (2023: approximately HK\$211,277,000), representing an increase of approximately 81% as compared with last year.

As at 30 June 2025, the Group operated:

- (1) 100 electric vehicle charging stations in Hangzhou, comprising 394 units of 7KW/H alternating current chargers, 1,582 units of 80KW/H alternating current chargers, 340 units of 100KW/H alternating current chargers, and 220 units of 120KW/H alternating current chargers (totalling 2,536 alternating current chargers); 270 units of 60KW/H direct current chargers, 770 units of 80KW/H direct current chargers, 419 units of 100KW/H direct current chargers, and 1,296 units of 120KW/H direct current chargers (totalling 2,755 direct current chargers);
- (2) 13 electric vehicle charging stations in Nanjing, comprising 32 units of 7KW/H alternating current chargers, 22 units of 60KW/H direct current chargers, and 148 units of 120KW/H direct current chargers; and
- (3) 1 electric vehicle charging station in Suzhou, comprising 7 units of 60KW/H direct current chargers.

The Board is of the view that the PRC Government has emphasised on the use of new energy vehicles and reduction in carbon emissions with increase in support to the establishment of the new energy vehicles charging piles and its related operations and hence the New Energy Vehicles Business is with substantial growth potential. The Group will continue to invest in the New Energy Vehicles Business and further establish electric vehicles charging stations in Hangzhou and other provinces in the PRC to capture the electric vehicles charging market shares with the aim to be one of the largest new energy vehicles charging facilities operators in the PRC.

The Group recorded turnover of approximately HK\$4,472,000 for the eighteen months ended 30 June 2025 (2023: approximately HK\$2,799,000) from the Cloud Ecological Big Data Business.

The Group recorded turnover of approximately HK\$23,194,000 for the eighteen months ended 30 June 2025 (2023: approximately HK\$23,328,000) from the Properties Investment Business, representing a decrease of approximately 1% as compared with last year.

China's economy is currently facing multiple uncertainties, including the challenge of structural transformation, the volatility in international markets, the geopolitical risks, and the weak domestic demand, all of which have posed significant obstacles to the Group's operations. Looking ahead, the operating environment is expected to remain difficult in the short term. Management anticipates that the Chinese government will intensify its macroeconomic policies, introduce further measures to stimulate consumption, and continue advancing the development of new quality productive forces and technological innovation, with accelerated progress in areas such as artificial intelligence, robotics, and new energy vehicles. It is also expected that the government will further increase investment in high-tech industries, manufacturing, and infrastructure, which may present opportunities for the Group's core businesses.

The Board will continue to closely monitor changes in the macroeconomic environment, adopt appropriate measures to address emerging challenges, and maintain a prudent approach to cash flow management. In order to safeguard the Group's assets and ensure a stable operating environment, thereby supporting the Group in navigating the current difficulties. Going forward, the Group will: (1) continue to closely evaluate the performance of the aforementioned businesses; (2) invest in the new energy vehicle sector and cloud-based big data ecosystem; (3) actively explore new business and investment opportunities; (4) consider all fundraising initiatives that may improve the Group's financial position; and (5) focus on product quality and cost control while exercising strict discipline over capital expenditure. These efforts aim to continuously enhance the Group's competitiveness and overall value, in alignment with the interests of the Company and all its shareholders. Looking ahead, the Group will continue to strengthen its core businesses, explore emerging opportunities in green energy and digital ecosystems, and enhance operational efficiency. The strategic focus remains on innovation-driven growth, prudent capital allocation and maintaining financial discipline to deliver sustainable value for shareholders over the long term.

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

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

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted a code of conduct for securities transactions and dealing (the "**Code of Conduct**") by Directors on terms no less exacting than the required standard set out in Appendix C3 to the Listing Rules (the "**Model Code**"). The Company has made specific enquiry of all Directors as to whether they have complied with the required standard set out in the Model Code and the Code of Conduct during the eighteen months ended 30 June 2025.

All the Directors have confirmed that they have complied with the required standards set out in the Model Code and the Code of Conduct throughout the period ended 30 June 2025.

## **CORPORATE GOVERNANCE PRACTICES**

The Board of the Company believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained to safeguard the interests of our shareholders, investors, customers and staff.

The Company has complied with the code provisions (the "**Code Provision(s)**") of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange, except for certain deviations as specified and explained below with considered reasons for such deviations.

1. Under the Code Provision Part 2 C.2.1 of the CG Code, among others, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

During the Period and up to the date of this announcement hereof, the posts of chairman and chief executive were vacant. The Board will keep reviewing the current structure of the Board from time to time and should candidates with suitable knowledge, skill, and experience be identified, the Company will make appointments to fill the posts as and when appropriate.

2. According to Code Provision Part 2 D.2.5 of the CG Code, the Group should have an internal audit function. However, considering the Group's simple operating structure and the potential cost burden, an internal audit department has not been established at the time being. Instead, a team of staff members has been assigned to fulfill the internal audit function and ensure compliance with internal controls policies. The Executive Directors and the Chief Financial Officer will directly assume responsibility for the Group's risk management and internal control systems.

The Board has taken remedial steps, actions and measures to make sure that the Company is in all aspects in strict compliance with the Listing Rules and the CG Code.

## **AUDIT COMMITTEE**

The Company has an Audit Committee in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal control system and providing advice and comments to the Board. The Audit Committee consists of three independent non-executive Directors of the Company.

The Audit Committee of the Company has reviewed the annual results of the Group for the Period including the accounting principles and practices adopted by the Company.

## **SCOPE OF WORK OF THE GROUP'S AUDITOR**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statements of changes in equity and the related notes thereto for the period from 1 January 2024 to 30 June 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the period from 1 January 2024 to 30 June 2025. The work performed by ZHONGHUI ANDA CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by ZHONGHUI ANDA CPA Limited on the preliminary announcement.

## **EXTRACT OF INDEPENDENT AUDITOR'S REPORT**

The following is an extract from audited financial report of the Company prepared by ZHONGHUI ANDA CPA Limited, the auditor of the Company, for the period from 1 January 2024 to 30 June 2025.

## **DISCLAIMER OF OPINION**

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.



## BASIS FOR DISCLAIMER OF OPINION

Scope limitation relating to the assessment on the appropriateness of the going concern basis of preparing the consolidated financial statements

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss attributable to equity holders of the Company of approximately HK\$306,263,000 for the period ended 30 June 2025. As at 30 June 2025, the Group had net current liabilities of approximately HK\$1,024,314,000 and net liabilities of approximately HK\$236,424,000. As at 30 June 2025, the Group had cash and cash equivalents of approximately HK\$2,971,000, while debts repayable within one year or on demand (including interest-bearing bank and other loans) were approximately HK\$627,197,000. As at 30 June 2025, the Group had defaulted the repayment of interest-bearing loans from an indirect shareholder of approximately HK\$414,871,000 (referred to as the “**Overdue Debts**”). The above events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group’s ability to continue as a going concern and, therefore, that the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

The consolidated financial statements have been prepared on a going concern basis. The directors of the Company have been undertaking a number of plans and measures to mitigate the liquidity pressure and improve its financial position, details of which are set out in note 2 to the consolidated financial statements. The validity of the going concern assumption on which the consolidated financial statements have been prepared depends upon the successful implementation of these measures, which are subject to significant uncertainties, including (i) the success of disposal of certain assets associated with the Group’s plant and machinery; (ii) the success of extension/alternative refinancing of the Overdue Debts; (iii) the success of obtaining sufficient funds through other alternative financing and borrowings; and (iv) the success of placing of shares.

In respect of the disposal of certain assets associated with the Group’s plant and machinery, the disposal is still ongoing and requires approval from the shareholders of the Company at an extraordinary general meeting. Accordingly, we were unable to obtain sufficient appropriate audit evidence that we considered necessary to evaluate the Group’s ability to accelerate the sales of its plant and machinery, as planned.

In respect of the extension/alternative refinancing of the Overdue Debts, as of the date of this report, we have not been provided with the extension agreements or refinancing agreements in respect of the Overdue Debts. Accordingly, we were unable to obtain sufficient appropriate audit evidence that we considered necessary to evaluate the Group’s ability to implement and complete the extension/alternative refinancing of the Overdue Debts.

In respect of acquisition of sufficient funds through other alternative financing and borrowings, as of the date of this report, we have not been provided with the financing agreements in respect of the new financing. Accordingly, we were unable to obtain sufficient appropriate audit evidence that we considered necessary to evaluate the Group’s ability to obtain new funds.



In respect of the placing of shares, as of the date of this report, we have not been provided with the details of the plan, including the detailed timetable and actions to be implemented. Accordingly, we were unable to obtain sufficient appropriate audit evidence that we considered necessary to evaluate the Group's ability to place the shares.

In view of the above scope limitation, there were no other alternative procedures that we could perform to satisfy ourselves that the Group would be able to implement its plans and measures, as a result, we were unable to obtain sufficient appropriate evidence we considered necessary to conclude whether the use of the going concern basis of accounting to prepare the consolidated financial statements is appropriate.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

## OTHER MATTERS

Had we not disclaimed our opinion regarding the matters described in the Basis for Disclaimer of Opinion section above, we would otherwise have qualified our opinion regarding the scope limitations on our audit relating to the matters detailed below.

### (1) Trade receivables

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of the trade receivables of approximately USD5,159,000 and Euro14,740,000 (equivalent to approximately HK\$176,182,000) as at 30 June 2025 and approximately USD5,196,000 and Euro15,389,000 (equivalent to approximately HK\$173,229,000) as at 31 December 2023. These trade receivables derived from the trading business of Soyea Jiu Rong Technology Company Limited ("Soyea Jiu Rong"), an indirect wholly owned subsidiary of the Company) to Cuba. Soyea Jiu Rong received letter of credits from customers with Banco Nacional de Cuba (a state-owned commercial bank which is nationalised by the Government of Cuba) who undertakes to settle the letters of credit at maturity. Due to the shortage of foreign currency and strict control of the use of foreign currency by the Cuba Government, Banco Nacional de Cuba is not able to settle the outstanding amounts when they fall due and without concrete repayment timetable. As a result, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of these trade receivables.

There are no other satisfactory audit procedures that we could adopt to determine whether any allowance for non-recovery of the amount should be made in the consolidated financial statements. Any adjustment to this figure above might have a consequential effect on the consolidated financial performance for the period ended 30 June 2025 and for the year ended 31 December 2023 and the consolidated financial position as at 30 June 2025 and 31 December 2023, and the related disclosures thereof in the consolidated financial statements.

(2) Other receivables

Reference is made to note 28(c) to the consolidated financial statements regarding the amounts due from a former director representing a payment in advance amounting to HK\$8,304,000 as at 30 June 2025 (31 December 2023: HK\$8,304,000) (the “**Advance**”). It is noted that the Company and a wholly-owned subsidiary of the Company have commenced High Court actions against Mr. Siu Chi Ming (“**Mr. Siu**”), a former executive director of the Company for, among others, certain purported remunerations paid to Mr. Siu (i.e. the Advance) (collectively, the “**High Court Actions**”). For further details of the High Court Actions, please refer to the announcement of the Company dated 26 March 2024.

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the nature and recoverability of the Advance, which is highly dependent on the result of the ongoing High Court Actions, nor there are other satisfactory audit procedures that we could adopt to satisfy ourselves as to the nature and recoverability of the Advance. Any adjustment to this figure above might have a consequential effect on the consolidated financial performance for the period ended 30 June 2025 and year ended 31 December 2023, the consolidated financial position as at 30 June 2025 and 31 December 2023, and the related disclosures thereof in the consolidated financial statements.

## **BOARD’S POSITION, VIEW AND ASSESSMENT ON THE DISCLAIMER OF OPINION**

The Board and the management have reviewed and given careful consideration to the disclaimer of opinion and its basis, and have engaged in continuous discussions with the auditor during the preparation of the Consolidated Financial Statements for the eighteen months ended 30 June 2025. It notes that such reasons primarily relate to scope limitations concerning the assessment of the appropriateness of the going concern basis, including the Group’s significant loss for the eighteen months ended 30 June 2025, substantial net current liabilities, insufficient cash and cash equivalents, and the existence of overdue borrowings which have not yet been extended or refinanced, all of which represent material uncertainties.

In response to the auditor’s disclaimer of opinion arising from significant uncertainties regarding the appropriateness of the going concern assumption, the Board fully understands that such opinion reflects the auditor’s inability to obtain sufficient and appropriate audit evidence to assess the reasonableness and validity of the Group’s adoption of the going concern basis. The Board reiterates that, as at 30 June 2025, the Group recorded a loss of approximately HK\$306,827,000, with both net current liabilities and net liabilities at elevated levels, and cash and cash equivalents relatively insufficient, particularly with overdue borrowings exerting significant pressure on the Group’s financial position. These circumstances indeed indicate that the Group faces substantial financial risks and uncertainties, posing serious challenges to its ability to continue as a going concern.

The Board has actively implemented a number of measures to alleviate funding pressure and improve the Group's financial position, including:

- Continuing to progress the disposal of certain assets and investment properties related to the Group's plant and machinery, ensuring that the proceeds will be received within the agreed timetable;
- Maintaining ongoing and proactive communication with creditors to seek extensions of overdue borrowings and alternative refinancing arrangements;
- Negotiating with banks and other lending institutions to secure loan renewals or obtain alternative refinancing and new financing facilities;
- Continuing to pursue share placement and explore all feasible financing channels to secure sufficient funds as a means of supplementing working capital, in respect of which the Board remains cautiously optimistic.

As discussed and disclosed in the section "Events After the Reporting Period" in the Management Discussion and Analysis, the Group has been making every effort to implement these measures to alleviate its funding pressure.

The Board believes that successful implementation of the above plans and measures will relieve the Group's liquidity pressure and improve its financial position. The Board has prudently assessed the feasibility of these plans and has taken proactive steps to advance them, including engaging with potential buyers, creditors and financial institutions, and exploring the viability of share placement.

Despite the uncertainties surrounding the aforementioned measures, the Board considers these plans to be feasible and expects that they will effectively alleviate liquidity pressure and support the Company's ability to continue as a going concern. Based on internal financial forecasts and the status of ongoing negotiations with various parties, and having considered the information currently available and actions taken, the Board believes that the Group has a reasonable basis to continue to adopt the going concern assumption in preparing the consolidated financial statements. However, the Board acknowledges that the implementation of these plans and measures remains subject to significant uncertainties, which may affect the Group's ability to continue as a going concern. Should these plans fail to materialise, the Board is fully aware that this could have a material impact on the carrying amounts of assets and the reclassification of liabilities, and will make timely disclosures to shareholders as appropriate.

The Board will continue to monitor the Group's cash flow position and funding requirements; expedite the disposal of assets and financing arrangements; maintain communication with the auditor to resolve, as far as practicable, the matters giving rise to the disclaimer of opinion; and keep shareholders and investors informed of material developments in a timely manner. The Board confirms that, apart from the aforementioned material uncertainties and other matters discussed in the Independent Auditor's Report, there are no other matters requiring special disclosure, and it will make its best efforts to safeguard the interests of the Company and its shareholders.

## VIEWS OF THE AUDIT COMMITTEE

The Audit Committee has critically reviewed the disclaimer of opinion, as well as the management's measures, views and assessments concerning the disclaimer of opinion in relation to the appropriateness of adopting the going concern basis in preparing the consolidated financial statements. The Audit Committee has also held discussions with the auditor regarding the disclaimer of opinion, considered the auditor's rationale and understood the basis for its conclusion.

Furthermore, the Audit Committee engaged in discussions with the Company's management, who have carefully considered the Group's cash flow forecast for the next 18 months from 30 June 2025 and given due consideration to the matters giving rise to material uncertainty as to the Group's ability to continue as a going concern. Accordingly, management has proactively formulated certain plans and measures to ensure that the Group will have sufficient cash resources to continue as a going concern and to meet its obligations as they fall due.

Certain plans and measures have been or will be implemented to enable the Group to maintain adequate financial resources to meet its financial commitments as they fall due. These include, but are not limited to, those set out in Notes 2 "Going Concern Basis" to the announcement of final results and "Events After the Reporting Period", as well as the measures disclosed in the Company's announcements of inside information regarding the potential disposals of new energy bus charging stations dated 27 May 2025, and the potential disposal of a subsidiary dated 28 June 2024, with further updates on 31 December 2024 and 2 July 2025 (collectively, the "**Relevant Plans and Measures**").

Assuming the successful implementation of the Relevant Plans and Measures, the Company's management considers that the Group will have sufficient working capital to finance its operations and meet its obligations as they fall due for at least 12 months from 30 June 2025. Accordingly, management is of the opinion that it is appropriate to prepare the Consolidated Financial Statements for the eighteen months ended 30 June 2025 on a going concern basis.

The Audit Committee has discussed the going concern issue with the Board and the Company's management. With the orderly implementation of the Relevant Plans and Measures, the Audit Committee concurs with the position taken by the Company's management and the Board regarding the accounting treatment adopted by the Company.

The Audit Committee has also discussed and acknowledged the auditor's concerns that uncertainties remain as to whether the Company's management will be able to successfully implement the Relevant Plans and Measures. There is no disagreement among the Board, the Company's management or the Audit Committee with the position taken by the auditor regarding the going concern issue.

Moreover, the Audit Committee engaged in discussions with the Company's management. Upon reviewing the status of the trade receivables and other receivables abovementioned as set out in the "Other Matters" in the Independent Auditor's Report, the Audit Committee concurred with the management's position and view, particularly regarding judgments pertaining to the recoverability of these receivables and the limited actions the Company may take in light of the factual circumstances.

## **EXTRACT FROM NOTE 2 TO THE CONSOLIDATED FINANCIAL STATEMENTS**

Having taken into account (i) the Group has commenced coordination with a limited liability company incorporated in the People's Republic of China (the "**PRC**"), specializing in new energy technology, in relation to a proposed plan to dispose of certain assets associated with the Group's plant and machinery. The proceeds from the sale are expected to be received in accordance with a timeline established by the Group; (ii) the Group has notified and liaised with the creditors for extension/alternative refinancing of the loans that are already overdue; (iii) the Group will negotiate with its creditors and bankers for the renewal of the loans when they fall due and obtain new banking facilities; and (iv) the estimated proceeds from the placing of shares (if any), the directors are satisfied that the Group will have sufficient working capital for its present requirements. The directors are therefore of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

## **PUBLICATION OF RESULTS ANNOUNCEMENT**

The annual results of the Group for the eighteen months ended 30 June 2025 is available for viewing on the website of The Stock Exchange of Hong Kong Limited at [www.hkex.com.hk](http://www.hkex.com.hk) and on the website of the Company at <http://www.irasia.com/listco/hk/2358>.

## **BOARD OF DIRECTORS**

As at the date of this announcement, the Executive Directors are Mr. Chen Yunxiang, Ms. Liu Bingjie and Mr. Yan Zhendong, the Independent Non-executive Directors are Mr. Chen Zheng, Mr. Wong Chi Kin and Mr. Hua Nengdong.

On Behalf of the Board  
**Jiu Rong Holdings Limited**  
**Chen Yunxiang**  
*Executive Director*

Hong Kong, 30 September 2025