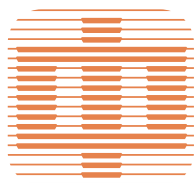


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CHAMPION TECHNOLOGY HOLDINGS LIMITED

冠軍科技集團有限公司

(Continued in Bermuda with limited liability)

(Stock Code: 92)

ANNOUNCEMENT OF THE FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2025

FINAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Champion Technology Holdings Limited (the “**Company**”), together with its subsidiaries, collectively, (the “**Group**”) announces the consolidated results of the Group for the year ended 30 June 2025 with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	3	57,311	208,612
Cost of sales		<u>(53,073)</u>	<u>(197,212)</u>
Gross profit		4,238	11,400
Other income, gains and losses		4,792	2,246
General and administrative expenses		(37,565)	(22,692)
Impairment losses recognised for inventories		(162)	—
Written off of property, plant and equipment		—	(450)
Written off on deregistration of subsidiaries		3,413	—
Impairment losses on right-of-use assets		—	(1,890)
Impairment losses recognised for trade and other receivables		(39,073)	(10,410)
Impairment losses on loan receivables		(1,547)	(58)
Gain on disposal of a subsidiary	4	—	32,136
Fair value gain/(loss) on financial assets at fair value through profit or loss		19,417	(19,453)
Gain/(loss) on disposal of financial assets at fair value through profit or loss		202	(32)
Fair value loss on investment properties		(4,437)	(3,533)
Finance costs		(435)	(40)
Written off on trade and other receivable		<u>(288)</u>	<u>—</u>

		2025 HK\$'000	2024 HK\$'000
	Notes		
Loss before taxation		(51,445)	(12,776)
Income tax credit	5	<u>1,136</u>	<u>554</u>
Loss for the year		<u>(50,309)</u>	<u>(12,222)</u>
Other comprehensive income/(expense):			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of foreign operations		658	(692)
Reclassification adjustment on translation reserve released on disposal of a subsidiary		<u>—</u>	<u>(1,814)</u>
Other comprehensive income/(expense) for the year		<u>658</u>	<u>(2,506)</u>
Total comprehensive expense for the year		<u>(49,651)</u>	<u>(14,728)</u>
(Loss)/profit for the year attributable to:			
— Owners of the Company		(44,226)	(12,420)
— Non-controlling interests		<u>(6,083)</u>	<u>198</u>
		<u>(50,309)</u>	<u>(12,222)</u>
Total comprehensive (expense)/income for the year attributable to:			
Owners of the Company		(43,508)	(14,758)
Non-controlling interests		<u>(6,143)</u>	<u>30</u>
		<u>(49,651)</u>	<u>(14,728)</u>
Loss per share			
Basic and diluted	7	<u>HK(5.03) cents</u>	<u>HK(1.82) cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		11,813	7,045
Right-of-use assets		2,264	—
Investment properties		30,463	34,262
Interest in an associate		—	2
Prepayment for property, plant and equipment		—	1,074
Loan receivable		985	—
Other receivables	9	<u>104</u>	<u>—</u>
		<u>45,629</u>	<u>42,383</u>
Current assets			
Inventories	8	6,894	7,407
Trade and other receivables	9	153,237	180,671
Loan receivables	10	47,993	6,624
Financial assets at fair value through profit or loss		36,507	10,421
Tax recoverable		—	184
Cash and cash equivalents		<u>11,920</u>	<u>14,699</u>
		<u>256,551</u>	<u>220,006</u>
Current liabilities			
Trade and other payables	11	170,785	151,245
Contract liabilities		648	847
Lease liabilities		1,455	969
Customers deposits		586	3,895
Bank borrowings		7,123	—
Tax payables		<u>1,019</u>	<u>864</u>
		<u>181,616</u>	<u>157,820</u>
Net current assets		<u>74,935</u>	<u>62,186</u>
Total assets less current liabilities		<u>120,564</u>	<u>104,569</u>

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current liabilities		
Lease liabilities	1,792	925
Deferred tax liabilities	6,382	7,175
Promissory note payable	<u>3,110</u>	<u>—</u>
	<u>11,284</u>	<u>8,100</u>
Net assets	<u>109,280</u>	<u>96,469</u>
Capital and reserves		
Share capital	9,847	6,838
Reserves	<u>105,576</u>	<u>89,656</u>
Equity attributable to owners of the Company	115,423	96,494
Non-controlling interests	<u>(6,143)</u>	<u>(25)</u>
Total equity	<u>109,280</u>	<u>96,469</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and financial assets at fair value through profit or loss that are measured at fair value and in accordance with HKFRS Accounting Standards (“**HKFRSs**”) (which include all the Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and accounting principles generally accepted in Hong Kong. Historical cost is generally based on the fair value of the consideration given in exchange for goods. 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 and the Hong Kong Companies Ordinance.

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group has incurred losses for a number of years and a net loss of HK\$50,309,000 for the year ended 30 June 2025.

In order to improve the Group’s financial position, to provide liquidity and cashflows and to sustain the Group’s as a going concern, the management has taken and/or will take the following measures:

1. The Group is taking measures to tighten cost controls over various operating costs and expenses with the aim to attain profitable and positive cash flow operation;
2. The Group has negotiated and agreed with substantial shareholders of the Company to provide financial support;
3. The Group is confident that the new business stated in MD&A section about Oxyhydrogen Machine which was launched on 27 September 2025 could will be launched soon to generate string positive cash flow;
4. The Group has negotiated with different trade debtors and agreed with them for the repayment schedule; and
5. The Group has negotiated with different trade creditor and obtained their understanding on the repayment situation.

In addition, the directors of the Company considered that:

- (i) The PRC subsidiaries are self-sustained and the listed company has the legal capacity to prevent being adversely effected by any of its subsidiaries should the occasion arise. Management would monitor the financial structure and operations of all subsidiaries and would take appropriate actions to ensure the functionality of each of them without impairing the financial strength of the Company; and
- (ii) The success of Company’s past 7 years fundraising exercises preserved that the Company has strength fundraising capability and will raise funds whenever necessary.

The directors of the Company further considered that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirement. Moreover, the directors of the Company also considered that the company’s fund-raising capability are strong and the directors of the Company is confident that sufficient funds can be raised if the Company needs. Accordingly, the directors of the Company considered that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, material uncertainties exist as to whether the Group is able to generate/receive sufficient cash inflows from its operations and financing to maintain it as a going concern, including but not limited to, whether it is able to successfully implement its various plans and measures as described above; whether it will continue to have sufficient external financing; and its operating cash flows are dependent on changing industry/market conditions. Should the Group be unable to maintain as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to reclassify its non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (“HKFRSs”)

In the current year, the Company and its subsidiaries (collectively, the “**Group**”) has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on 1 July 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKAS 21	Lack of Exchangeability ²
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards Volume 11 ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company anticipate that the application of the new and amendments to HKFRSs will have no material impact on the amounts reported and disclosures made in the Group's consolidated financial statements in the foreseeable future, except for HKFRS 18 which will impact the presentation of profit or loss.

3. REVENUE AND SEGMENT INFORMATION

(a) Revenue

Revenue represents the amounts received and receivable for goods sold and services provided by the Group to external customers.

The revenue of the Group comprises the following:

	2025 HK\$'000	2024 HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
<i>Revenue from Contracts with Customers</i>		
Technology — Smart City Solution	48,749	179,878
Technology — Design and sales of renewable energy products and solutions	<u>8,562</u>	<u>28,734</u>
	<u><u>57,311</u></u>	<u><u>208,612</u></u>

(b) Segment information

The operating segments have been identified on the basis of internal management reports prepared in accordance with accounting policies conforming to HKFRSs, which are regularly reviewed by the directors of the Company, being the chief operating decision maker, for the purpose of allocating resources to segments and assessing their performance.

In a manner consistent with the way in which information is reported internally to the chief operating decision maker, the Group has presented the following five (2024: five) operating and reportable segments under HKFRS 8 Operating Segments.

- Sales of cultural products — includes income from trading of cultural products
- Technology: Smart City Solution Business — includes income from sale of business solution including software and hardware for construction site and related businesses
- Technology: Renewable energy — includes income from design and sales of renewable energy products and solutions
- Trading of gasoil and related business — includes income from sales of gasoil and income from vessel charter (shipping business)
- Strategic investments — includes income from financial assets at fair value through profit or loss

Segment results represent the profit or loss before taxation recognised by each reportable segment, excluding interest income, gain or loss on disposal of subsidiaries, fair value gain or loss on investment properties, finance costs, unallocated income and expenses such as certain administration costs etc. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Information regarding the above segments is reported below:

	Technology			Trading of gasoil and related business			
	Sales of cultural products	Smart City Solution	Renewable energy	Strategic investments	Trading of gasoil and others	Shipping business	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Year ended 30 June 2025							
REVENUE							
External and total revenue							
Recognised at a point in time	—	4,095	8,007	—	—	—	12,102
Recognised over time	—	44,654	555	—	—	—	45,209
	<u>—</u>	<u>48,749</u>	<u>8,562</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>57,311</u>
RESULTS							
Segment result	<u>(285)</u>	<u>(40,483)</u>	<u>3</u>	<u>7,150</u>	<u>(64)</u>	<u>—</u>	(33,679)
Interest income							1,674
Fair value loss on investment properties							(4,437)
Finance costs							(435)
Unallocated expenses, net							<u>(14,568)</u>
Loss before taxation							<u>(51,445)</u>

	Technology			Trading of gasoil and related business			
	Sales of cultural products	Smart City Solution	Renewable energy	Strategic investments	Trading of gasoil and others	Shipping business	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Year ended 30 June 2024							
REVENUE							
External and total revenue							
Recognised at a point in time	—	—	28,065	—	—	—	28,065
Recognised over time	—	179,878	669	—	—	—	180,547
	<u>—</u>	<u>179,878</u>	<u>28,734</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>208,612</u>
RESULTS							
Segment result	<u>(116)</u>	<u>(2,667)</u>	<u>1,363</u>	<u>(36,578)</u>	<u>261</u>	<u>(10)</u>	(37,747)
Interest income							755
Gain on disposal of a subsidiary							32,136
Fair value loss on investment properties							(3,533)
Finance costs							(40)
Unallocated expenses, net							<u>(4,347)</u>
Loss before taxation from continuing operations							<u>(12,776)</u>

Information regarding the above segments is reported below:

	Technology				Trading of gasoil and related business			
	Sales of cultural products	Smart City Solution	Renewable energy	Strategic investments	Trading of gasoil and others	Shipping business	Unallocated	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Year ended 30 June 2025								
Amounts included in the measure of segment profit or loss:								
Depreciation of property, plant and equipment	—	1,913	—	6	—	—	58	1,977
Depreciation of right-of-use assets	—	—	—	—	—	—	560	560
Fair value gain on financial assets at fair value through profit or loss	—	—	—	(19,417)	—	—	—	(19,417)
Gain on disposal of financial assets	—	—	—	(202)	—	—	—	(202)
Impairment losses recognised for trade and other receivables	(2)	39,017	58	—	—	—	—	39,073
Impairment losses on loan receivables	—	741	—	—	—	—	806	1,547
Impairment loss on inventories	117	45	—	—	—	—	—	162
Written off of amount due to previous director	—	—	—	(2,000)	—	—	—	(2,000)

	Technology			Trading of gasoil and related business				
	Sales of cultural products	Smart City Solution	Renewable energy	Strategic investments	Trading of gasoil and others	Shipping business	Unallocated	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Year ended 30 June 2024								
Amounts included in the measure of segment profit or loss:								
Depreciation of property, plant and equipment	—	3	114	—	—	—	15	132
Depreciation of right-of-use assets	—	—	—	82	—	—	—	82
Fair value loss on financial assets at fair value through profit or loss	—	—	—	19,453	—	—	—	19,453
Loss on disposal of financial assets	—	—	—	32	—	—	—	32
Written off of property, plant and equipment	—	—	450	—	—	—	—	450
Impairment losses recognised/(reversed) for trade and other receivables	—	10,627	56	—	(273)	—	—	10,410
Impairment losses on loan receivables	—	15	—	—	—	—	43	58
Impairment loss on right-of-use assets	—	—	—	1,890	—	—	—	1,890

No information about segment assets and liabilities is presented as such information is not regularly provided to the chief operating decision maker for resource allocation and performance assessment purposes.

4. GAIN ON DISPOSAL OF A SUBSIDIARY

On 2 May 2023, the Group entered into a sale and purchase agreement to sell all of the equity interest of Honest City Enterprises Limited (“the Disposal Group”) to an independent third party at the consideration of HK\$45.9 million in order to streamline the Group’s resources. The transaction was completed on 30 October 2023.

Consideration received:

HK\$’000

Cash consideration received	45,900
	<u>45,900</u>

Analysis of assets and liabilities over which control was lost upon disposal of business:

HK\$’000

Investment property	4,498
Finance lease receivables	30,848
Trade and other receivables	2,405
Cash and cash equivalents	3
Trade and other payables	(2,841)
Tax payables	<u>(2,034)</u>

Net assets disposed of	<u>32,879</u>
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Gain on disposal of a subsidiary

HK\$’000

Consideration received	45,900
Net assets of the subsidiary	(32,879)
Cumulative exchange difference in respect of the net assets of the subsidiary released on loss of control	1,814
Net assets attributable to non-controlling interest of the subsidiary	<u>17,301</u>

Gain on disposal of a subsidiary	<u>32,136</u>
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Net cash inflow arising on disposal

HK\$’000

Consideration received in cash and cash equivalents	45,900
Less: cash and cash equivalents disposed of	<u>(3)</u>

Net cash inflows arising on disposal of a subsidiary	<u>45,897</u>
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5. INCOME TAX

	2025 HK\$'000	2024 HK\$'000
Current tax:		
— PRC enterprise income tax	106	1,397
— Hong Kong profits tax	<u>15</u>	<u>—</u>
	<u>121</u>	<u>1,397</u>
(Over)/under provision in prior years:		
— Hong Kong profits tax	15	(224)
— PRC enterprise income tax	<u>(340)</u>	<u>(886)</u>
	<u>(325)</u>	<u>(1,110)</u>
Deferred tax:		
— Credited for the year	<u>(932)</u>	<u>(841)</u>
Income tax credit	<u>(1,136)</u>	<u>(554)</u>

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 Mainland subsidiaries is 25% for both years. For income generated in the Mainland earned by subsidiaries incorporated outside the PRC is subject to withholding tax at 10% (2024: 10%).

Under the two-tiered profits tax rate regime, the first HK\$2 million of profit of qualifying corporations will be taxed at 8.25%, and profit above HK\$2 million will be taxed at 16.5%. The profit of corporations not qualifying for the two-tiered profit tax rates regime will continue to be taxed at a flat rate of 16.5% (2024: Nil).

6. DIVIDENDS

No dividend was paid or proposed during the year ended 30 June 2025 nor has any dividend been proposed since the end of reporting period (2024: Nil).

7. LOSS PER SHARE

The calculation of basic loss per share attributable to owners of the Company is based on the following data:

	2025 HK\$'000	2024 HK\$'000
Loss for the year attributable to owners of the Company	<u>(44,226)</u>	<u>(12,420)</u>
<i>Number of ordinary shares</i>	<i>'000</i>	<i>'000</i>
Weighted average number of ordinary shares for the purpose of basic losses per share	<u>879,945</u>	<u>683,831</u>

Diluted loss per share for the years ended 30 June 2025 and 2024 were the same as the basic loss per share as there were no potential ordinary shares outstanding during both years.

8. INVENTORIES

	2025 HK\$'000	2024 HK\$'000
Raw materials	3,169	3,113
Work in progress	269	720
Finished goods	<u>3,456</u>	<u>3,574</u>
	<u>6,894</u>	<u>7,407</u>

9. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables (<i>note i</i>)	162,661	150,366
Less: provision for impairment losses	<u>(47,135)</u>	<u>(7,529)</u>
	<u>115,526</u>	<u>142,837</u>
Other receivables (<i>note ii</i>)	44,566	45,584
Less: provision for impairment losses	<u>(6,751)</u>	<u>(6,676)</u>
	<u>37,815</u>	<u>38,908</u>
	<u>153,341</u>	<u>181,745</u>
Represented as:		
Current portion	153,237	180,671
Non-current portion	<u>104</u>	<u>1,074</u>
	<u>153,341</u>	<u>181,745</u>

Notes:

- (i) The Group maintains a well-defined credit policy regarding its trade customers depending on their credit worthiness, nature of services and products, industry practice and condition of the market with credit period ranging from 30 days to 180 days. The Groups credit policy for sales of cultural products are cash on delivery.
- (ii) It mainly represents amount due from the former subsidiaries, prepayment for property, plant and equipment and project cost.

The ageing analysis of trade receivables (net of expected credit losses) presented based on the invoice date at the end of the reporting period is as follows:

	2025 HK\$'000	2024 HK\$'000
0–60 days	31,799	94,100
61–90 days	263	2
91–180 days	794	25,002
181–365 days	11,825	25,856
Over 365 days	<u>117,980</u>	<u>5,406</u>
Less: Allowance for expected credit losses	<u>(47,135)</u>	<u>(7,529)</u>
	<u>115,526</u>	<u>142,837</u>

Before accepting any new customer, the Group's finance and sales management team would assess the potential customers credit worthiness and define the credit limit accordingly for the customers. Credit limits attributable to customers are reviewed regularly with reference to past settlement history and where appropriate, information about their current reputation.

The ageing analysis of trade receivables (net of expected credit losses) presented based on past due status at the end of the reporting period is as follows:

	2025 HK\$'000	2024 HK\$'000
Not past due	<u>1,684</u>	<u>36</u>
Less than 1 month past due	2,071	69,741
1 to 3 months past due	28,312	24,329
3 to 12 months past due	12,614	50,854
Past due over 1 year	<u>117,980</u>	<u>5,406</u>
	<u>160,977</u>	<u>150,330</u>
Less: Allowance for expected credit loss	<u>(47,135)</u>	<u>(7,529)</u>
	<u>115,526</u>	<u>142,837</u>

10. LOAN RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Loan receivables	50,712	6,798
Less: provision for impairment losses	<u>(1,734)</u>	<u>(174)</u>
	<u>48,978</u>	<u>6,624</u>
Represented as:		
Current portion	47,993	6,624
Non-current portion	<u>985</u>	<u>—</u>
	<u>48,978</u>	<u>6,624</u>

As at 30 June 2025, loan receivables (net of expected credit losses) of HK\$48,978,000 (2024: HK\$6,624,000) were due from 14 borrowers (2024: 3), unsecured and with personal guarantee. The loan receivables carry fixed interest rates at 6% to 8.5% per annum with maturity date within 6–24 months from the loan draw down date.

11. TRADE AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables	113,750	86,770
Other payables	<u>57,035</u>	<u>64,475</u>
	<u>170,785</u>	<u>151,245</u>

The aging analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

	2025 HK\$'000	2024 HK\$'000
0–60 days	35,691	511
61–90 days	—	—
91–365 days	2,773	85,195
Over 1 year	<u>75,286</u>	<u>1,064</u>
	<u>113,750</u>	<u>86,770</u>

The credit period for purchases of goods ranged from 30 days to 120 days.

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT ON THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material Uncertainty Related to Going Concern

We draw attention to note 1 to the consolidated financial statements which indicates that the Group has incurred losses for a number of years. The Group has incurred a net loss of HK\$50,309,000 for the year ended 30 June 2025. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

MANAGEMENT DISCUSSION AND ANALYSIS

Green Energy Business

During the year under review, the Group has strategically concentrated its investments in green energy, achieving a remarkable technological breakthrough in the production of Oxyhydrogen Gas at a significantly reduced cost compared to conventional methods. With plans to launch this innovative technology for industrial use in the fourth quarter of 2025, the Group is also poised to expand its market coverage in tandem with a promising fundraising initiative that has garnered strong interest.

On 27 September 2025, our Group proudly launched the world's first scalable “Innovative Ecoglory Oxyhydrogen Gas System” at Canadian-American School, Zhaoqing (肇慶加美學校). The official commissioning ceremony for this generator is scheduled for the morning of 30 September 2025. The clean and efficient energy produced by this equipment — “Innovative Ecoglory Oxyhydrogen Gas” — is protected by the Group's exclusive, globally pioneering patent technology. This milestone signifies a major breakthrough in the practical application of green energy and further solidifies our leadership position within the industry.

Our business model is centered on selling steam, which is generated by boilers fueled by our proprietary on-site Oxyhydrogen Gas. The Oxyhydrogen Machines that produce this gas will remain the Group's assets. In essence, we sell the utility (steam) as a service, not the physical equipment.

“Innovative Ecoglory Oxyhydrogen Gas” possesses the capability to widely replace existing fossil fuels. Its combustion process achieves near-zero emissions and offers comprehensive advantages over traditional petroleum-based energy sources, including cleanness, high efficiency, safety, and low cost.

This energy source has broad applications across multiple sectors such as industrial steam supply, commercial and industrial hot water, metal processing and forging, and as a replacement for diesel and gasoline in power generation, comprehensively covering energy usage scenarios across various industries. Leveraging advanced manufacturing techniques, we effectively control costs while simultaneously assisting enterprises and institutions in reducing their comprehensive energy costs and carbon emissions.

Since the product launch, market reception has been exceptionally positive, with numerous customers expressing strong interest in collaborating on this revolutionary product. Evaluations based on the current cost structure indicate that this business is projected to achieve highly attractive gross profit margins. On 28 September 2025, the Group entered into a significant steam supply contract with a leading textile enterprise located within the National Chuangxing Science Park in Xintang, Zengcheng, Guangzhou City, Guangdong Province. This collaboration marks our successful entry into this important industrial park, where we will provide industrial steam for the entire park. The initial phase involves a daily steam supply of 600 tonnes, priced within the range of RMB 180 to 300 per tonne. As the park progressively ramps up its production capacity, the daily steam demand is forecast to increase substantially, potentially reaching approximately 100,000 tonnes. This single contract alone is expected to generate no less than RMB 10 million in stable, positive annual cash flow for the Group.

Building on current operational experience and market feedback, the Group has established a solid foundation for the rapid expansion of its green energy business. We remain committed to promoting the widespread practical application of “Innovative Ecoglory Oxyhydrogen Gas “across multiple industries, supporting the national “Dual Carbon” goals, and driving sustainable growth and energy structure transformation.

The Group has strategically allocated approximately RMB25 million to support the initial capital-intensive phase of the Oxyhydrogen Project, the cornerstone of its Green Energy Business in the PRC. Additionally, the Group has earmarked approximately HK\$20 million as working capital to bolster its Renewable Energy Business operations in Hong Kong and Vietnam. Prior to the deployment of these reserves, the Group has leveraged its idle cash to generate interest income significantly exceeding traditional bank deposit rates by extending loans to carefully selected, reliable borrowers who approached the Group’s management at various intervals. As these projects progress through their respective stages of development, the Group will redeploy the funds received from loan repayments to fuel the growth and expansion of its Green Energy and Renewable Energy businesses.

Smart City Business

We place a premium on forging partnerships with state-owned enterprises, central enterprises, and those under local government oversight. Although these clients have experienced extended capital turnover periods, their robust foundations and substantial governmental backing significantly mitigate the risk of bad debts. This strategic approach not only protects our investments but also positions us for sustainable growth in an increasingly challenging economic landscape. That said, we have strategically scaled back our operations in this arena until the pace of settlement speeds up again.

Management considers the repayment capacity of China's state-owned enterprises (SOEs) and central enterprises to be a focal point of consideration. Based on the latest economic data and industry analysis, the key points are as follows:

- a. **Overcapacity and High Debt Levels:** Some SOEs and central enterprises are experiencing issues with overcapacity, which has led to decreased profitability and therefore weakened financial strength;
- b. **Government Support:** The Chinese government provides strong backing and guarantees to SOEs and central enterprises, which, to some extent, reduces systemic financial risks;
- c. **Impact of Economic Slowdown:** Against the backdrop of slower economic growth, revenues for these enterprises face increased pressure, which has a consequential effect on their trade cycle to service debts;
- d. **Reforms and Adjustments:** China is actively pursuing reforms of SOEs, aimed at improving governance structures, reducing non-performing assets, and enhancing operational efficiency — all measures designed to strengthen their repayment capacity.

In summary, management reckons that while some SOEs and central enterprises face challenges regarding repayment ability, overall risk remains manageable due to government support and ongoing reform initiatives.

Geo-political and Overall Economic Environment

The Asia-Pacific region has been significantly impacted by various global economic challenges in recent years, stemming from geopolitical conflicts and a rise in international protectionism.

Geopolitical Conflicts: Tensions, such as those arising from the South China Sea disputes, North Korea's nuclear ambitions, and U.S. – China relations, have created an unstable environment. These conflicts often lead to uncertainties in trade and investment, affecting regional economic growth. Countries in the region might find themselves forced to take sides or adjust their foreign policies, which can disrupt established trade relationships.

International Protectionism: A shift toward protectionist policies, as seen in various countries implementing tariffs and trade barriers, has hindered free trade agreements that previously benefited the Asia-Pacific region. Nations that rely heavily on exports, such as Japan and South Korea, face challenges when their goods become less competitive due to increased tariffs in key markets like the U.S. or the EU. This not only affects individual economies but also slows down the overall economic growth of the region.

Supply Chain Disruptions: The COVID-19 pandemic highlighted vulnerabilities in global supply chains, many of which are based in the Asia-Pacific. As countries reassess their reliance on global supply networks, there is a movement towards regionalization or diversification of production. This shift can lead to short-term disruptions but may also create new opportunities for local industries.

Economic Recovery and Resilience: In response to these challenges, countries in the region are focusing on building economic resilience. This includes investing in digitalization, fostering innovation, and enhancing regional trade agreements, such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). These efforts aim to create a more integrated and robust economic environment that can withstand external shocks.

Climate Change and Sustainability: The region is also grappling with the economic impacts of climate change, prompting discussions on sustainable growth. As countries strive to balance economic development with environmental sustainability, this presents both challenges and opportunities for innovation and investment in green technologies.

FINANCIAL RESULTS

Revenue

Champion Technology Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) reported a total revenue for the year under review of approximately HK\$57 million as compared with approximately HK\$209 million in 2024, representing a decrease of approximately 72.7 percent. This was mainly due to the significant decrease in revenue generated from smart city solution business during the year as a result of the management’s strategy of scaling back our operations in this arena until the pace of settlement speeds up again.

Loss Attributable to Owners of the Company

Loss for the year under review was approximately HK\$50.3 million (2024: HK\$12.2 million). Loss for the year attributable to owners of the Company was approximately HK\$44.2 million (2024: approximately HK\$12.4 million). The increase for the year was mainly due to the combined effect (i) the reduction in contributions from the smart city solution business and renewable energy business; and (ii) the recognition of fair value gain of financial assets at fair value through profit or loss of approximately HK\$19.4 million (2024: loss of approximately HK\$19.5 million). Gross profit ratio increased from 5.5% to 7.4%, primarily due to the decrease in inherently lower margin on smart city solution business this year. Loss per share for the year under review is HK5.03 cents (2024: HK1.82 cents).

Other Income, Gains and Losses

During the year under review, the Group recognized other gain of approximately HK\$4.8 million (2024: approximately HK\$2.2 million).

General and Administrative Expenses

General and administrative expenses for the year under review increased by approximately 65.5% percent to approximately HK\$37.6 million (2024: approximately HK\$23 million). This increase was primarily attributable to higher research and administrative expenses associated with the newly initiated green energy business, that is, the invention of a remarkable technological breakthrough in the

production of Oxyhydrogen Gas at a significantly reduced cost compared to conventional methods. Notwithstanding this, the current management remains committed to maintaining a stringent and cost-efficient overhead structure as part of its strategic approach to enhance return on investment.

Fair Value Gain/(Loss) on Financial Assets at Fair Value through Profit or Loss

During the year under review, the Group recognised fair value gain on financial assets at fair value through profit or loss of approximately HK\$19.4 million as compared with the fair value loss of approximately HK\$19.5 million last year. The detailed information is set out in the “Review of Operations” section below.

Finance Costs

Finance costs for the year approximately HK\$435,000 (2024: approximately HK\$40,000). The increase in finance costs was primarily attributable to the interest expense incurred on the bank loan obtained during the year.

REVIEW OF OPERATIONS

Since its establishment, the Group has consistently operated under a primary business model centered on delivering comprehensive technology solutions, integrating relevant hardware and software into tailored packages for its clients. This approach, referred to as the “Tech Business Model,” is distinguished by its reliance on continuous innovation, necessitating the regular introduction of new products to align with the dynamic and fast-evolving technological environment. Among the core pillars of this model are the Green Energy Initiative, Smart City Solutions, and Renewable Energy sectors, which are recognized as integral components of the Group’s strategic focus.

The table below sets out the details of the Tech Business Model of the Smart City Solution Business and Renewable Energy Business:

Business segments	Details of the Tech Business Model
Renewable Energy Business	The Group designs and installs SPV system (the hardware) and energy management system (a byproduct using the IoT technology) (the software) for customers, through which customers can monitor the operation of solar system and the production of energy.
Sales of Smart Construction Solution Business	Revenue from the Sales of Smart Construction Solution Business is generated through the design of hardware stack and development of software by the Group for customers to monitor the on-site construction progress.

Sales of IoT Solution Business	Revenue from the Sales of IoT Solution Business is generated through the design and development of IoT enabling and enabled devices, web and internet interfaces, analytics and customized software solutions by the Group for customers to use in different scenarios such as classrooms, libraries, etc.
IDC Business	The intelligent computing platforms installed by the Group consists of hardware and software to satisfy the computing functions in different scenarios, in data centres.
Green Energy Business	The Group designs and installs Oxyhydrogen Gas Generation Systems in conjunction with boilers tailored to the specific needs of its customers' industries, generating steam for various applications. The Group sells steam to its customers at highly competitive prices while maintaining ownership of the machines and software. To ensure this business line remains capital-efficient, the Group requires customers to provide a substantial advance deposit, which approximates the capital investment required.

Technology — Smart City Solution Business

The smart city solution business of the Group mainly consists of the Sales of smart construction solution business, Sales of IoT Solution Business, including Internet Data Centre (“**IDC**”) Business which involves the sale & installation of data centre systems, and the business of leasing out internet data center (collectively “**Smart City Solutions Business**”).

The Group has been selecting financially stable customers, primarily government-owned entities, which instills a high level of confidence in their reliability and minimizes the risk of default. We are all aware that payment cycles in the Mainland China have been slow due to the struggling economy; however, the actual demand and strong support these entities receive from the government further reinforce their stability.

Additionally, our suppliers have been very accommodating by granting us extended credit periods, recognizing that most of our customers are government-owned enterprises with low credit risk, even though these customers also require lengthy credit terms from us.

The Group is dedicated to building long-term relationships with our customers. We have implemented proactive measures to ensure the successful execution of our projects, including timely installation and rigorous testing. These efforts are designed to provide our customers with reliable and efficient solutions tailored to their specific needs.

Moreover, our commitment to cultivating relationships with sizable and reputable clients has been a crucial factor in our success. Our customer base primarily consists of state-owned enterprises and well established publicly listed companies, reflecting the Group's strong reputation and credibility in the Mainland market.

However, during the period under review, the data centre business in China has faced significant stagnation due to a combination of factors, primarily stemming from a shortage of crucial semiconductor chips and systems exacerbated by geopolitical sanctions. More detailed analyses of the situation is given in the Outlook section of this report.

Despite the strong financial standing and significant governmental backing of these customers, they have faced prolonged capital turnover periods. In response, we have strategically reduced our operations in this sector until the pace of settlement accelerates once more.

Technology — Renewable Energy Business

Since 2018, the Group has invested significant resources into the research and development of our Solar Photovoltaic (SPV) technology products. It's important to note that the Renewable Energy Business encountered substantial challenges in early years due to factors beyond our control. These challenges included delays in obtaining necessary approvals and permits, and the obstacles and additional costs incurred due to frequent changes of requirements by the power company.

Moreover, the Hong Kong Government's unexpected reduction in Feed-in Tariff (FiT) rates in the previous year deterred some customers from proceeding with their orders. It is crucial to recognize that the resilience of businesses across all sectors necessitates a transitional period for adaptation and recovery. The scheduled termination of the Feed-in Tariff (FiT) scheme in Hong Kong by December 2033 indicates that the internal rate of return for the Solar Photovoltaic (SPV) renewable energy business has entered a phase of diminishing returns. This development has diminished the incentives for investors to sustain their investments in this sector within Hong Kong. In response to these challenges, the Group has proactively engaged with customers to promote the installation of SPV systems for their own use post the FiT scheme's expiration, a strategy that is both technically and economically viable, particularly when coupled with the subsequent installation of energy storage systems.

After the above adaptation, the Group's Renewable Energy Business now consists of

- (i) the sales of SPV system (the “**Sales of SPV Business**”); and
- (ii) feed-in tariff rates business (the “**FiT Rates Business**”).

On a positive note, the Group successfully initiated sales, design, and installation of its SPV Systems to customers in Southeast Asia, along with energy storage systems, as part of our strategic efforts to expand our market presence and product portfolio.

The SPV Business has emerged as a core component of the Renewable Energy Business, both in Hong Kong and Southeast Asia, where promising business negotiations are currently underway.

Green Energy Business

Oxyhydrogen contains a mixture of hydrogen (H₂) and oxygen (O₂) gases. It is often produced by the electrolysis of water, resulting in these two gases being combined in a specific ratio, typically close to 2:1 (hydrogen to oxygen), which corresponds to the proportions in water (H₂O). When ignited, this mixture can produce a powerful and clean flame used in various applications. Due to its high production costs, it is traditionally used in oxyhydrogen welding and cutting, producing a very high-temperature flame suitable for precise metal work. In August 2024, the Group reached a significant milestone by securing official validation of its technology from respected government examination bodies in the People's Republic of China. Subsequently, in December 2024, the Group obtained formal certification from Société Générale de Surveillance (SGS). This pivotal endorsement has paved the way for the initial trial production of our innovative Oxyhydrogen Gas System, which utilizes our proprietary technology to produce oxyhydrogen gas at a very low cost as an alternative fuel for heat and power generation.

To facilitate the Group's entry into the consumer market, instead of directly selling oxyhydrogen gas, the Group will sell steam generated by tailor-made boilers heated using oxyhydrogen gas. The steam market in the PRC is vast, with extensive applications across various industries.

On 27 September 2025, our Group proudly launched the world's first scalable "Innovative Ecoglory Oxyhydrogen Gas System" at Canadian-American School, Zhaoqing (肇慶加美學校). The official commissioning ceremony for this generator is scheduled for the morning of 30 September 2025. The clean and efficient energy produced by this equipment — "Innovative Ecoglory Oxyhydrogen Gas" — is protected by the Group's exclusive, globally pioneering patent technology. This milestone signifies a major breakthrough in the practical application of green energy and further solidifies our leadership position within the industry.

"Innovative Ecoglory Oxyhydrogen Gas" possesses the capability to widely replace existing fossil fuels. Its combustion process achieves near-zero emissions and offers comprehensive advantages over traditional petroleum-based energy sources, including cleanness, high efficiency, safety, and low cost. This energy source has broad applications across multiple sectors such as industrial steam supply, commercial and industrial hot water, metal processing and forging, and as a replacement for diesel and gasoline in power generation, comprehensively covering energy usage scenarios across various industries. Leveraging advanced manufacturing techniques, we effectively control costs while simultaneously assisting enterprises and institutions in reducing their comprehensive energy costs and carbon emissions.

Since the product launch, market reception has been exceptionally positive, with numerous customers expressing strong interest in collaborating on this revolutionary product. Evaluations based on the current cost structure indicate that this business is projected to achieve highly attractive gross profit margins. On 28 September 2025, the Group entered into a significant steam supply contract with a

leading textile enterprise located within the National Chuangxing Science Park in Xintang, Zengcheng, Guangzhou City, Guangdong Province. This collaboration marks our successful entry into this important industrial park, where we will provide industrial steam for the entire park. The initial phase involves a daily steam supply of 600 tonnes, priced within the range of RMB 180 to 300 per tonne. As the park progressively ramps up its production capacity, the daily steam demand is forecast to increase substantially, potentially reaching approximately 100,000 tonnes. This single contract alone is expected to generate no less than RMB 10 million in stable, positive annual cash flow for the Group.

Building on current operational experience and market feedback, the Group has established a solid foundation for the rapid expansion of its green energy business. We remain committed to promoting the widespread practical application of “Innovative Ecoglory Oxyhydrogen Gas “across multiple industries, supporting the national “Dual Carbon” goals, and driving sustainable growth and energy structure transformation.

This business model not only accelerates the full-scale development of the Oxyhydrogen Machine but also bolsters our overall cash position. As a result, the Group is well-positioned to rapidly expand its Green Energy Business, driving sustainable growth and establishing a dominant market presence.

Cultural Products

As in previous years, the Company continues to adopt a cautious approach in managing its cultural products. We remain vigilant in monitoring market conditions to identify and capitalize on optimal opportunities for selling select items from the Group’s inventory at favorable prices. Furthermore, we showcase our cultural products, which are also esteemed works of art, on the Company’s website to enhance public awareness. These strategies align with our established practices from prior years.

Securities Investments

As part of the Group’s short-term investment activities, the Group has invested in some Hong Kong listed securities, the details and information of which are as follows:

During the Period, the Group recorded an overall fair value gain on financial assets at fair value through profit or loss of approximately HK\$19.4 million which was attributable to positive market sentiment on the stock market. (2024: fair value loss of approximately HK\$19.5 million).

As at 30 June 2025, the fair value of the listed equity investments in Hong Kong classified as financial assets at fair value through profit or loss amounted to approximately HK\$36.5 million (30 June 2024: approximately HK\$10.4 million). These investment portfolios comprised 8 (30 June 2024: 8 equity securities listed in The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) of which 6 (30 June 2024: 6) equity securities are listed on the Main Board of the Stock Exchange while the remaining 2 (30 June 2024: 2) equity securities are listed on the GEM of the Stock Exchange.

A summary of the Group's financial assets at fair value through profit or loss is given below:

Company Name/Stock Code	Number of shares held by the Group at 30 June 2025	Percentage of the issued share capital	Investment cost at 30 June 2025	Accumulated	Fair value at 30 June 2025	Percentage
		of the relevant company at 30 June 2025		unrealised fair value (loss)/gain		of total held- for-trading investment
		%	HK\$	HK\$	HK\$	%
Financial assets at fair value through profit or loss						
Zijing International Financial Holdings Limited (Stock code: 8340)	156,100	0.17%	12,571,851	(12,525,801)	46,050	0.13%
GoFintech Quantum Innovation Limited (Stock code: 290)	1,423,400	0.02%	2,334,376	(327,382)	2,006,984	5.50%
Worldgate Global Logistics Ltd (Stock code: 8292)	180,000	0.03%	2,286,000	(2,188,800)	97,200	0.26%
Summit Ascent Holdings Limited (Stock code: 102)	2,500,000	0.06%	2,434,500	(2,434,500)	—	0.00%
China Star Entertainment Limited (Stock code: 326)	12,240,000	0.50%	9,885,445	18,144,145	28,029,600	76.78%
Kantone Holdings Limited (Stock code: 1059)	15,435,000	4.12%	5,853,705	(1,609,080)	4,244,625	11.63%
China Environmental Resources Group Limited (Stock code: 1130)	2,340,000	0.48%	518,156	862,444	1,380,600	3.78%
FEG Holdings Corporation Limited (Stock code: 1413)	10,800,000	0.45%	2,008,600	(1,306,800)	702,000	1.92%
			37,892,663	(1,385,774)	36,507,059	100.0%

Money Lending Transactions

Money lending services were provided by a wholly-owned subsidiary of the Company, which operates as a money lender, and were also offered incidentally by the Company's subsidiary in the Mainland of China (Mainland). The Mainland subsidiary has never presented itself to the public as a money lender nor sought out borrowers for loans. In Hong Kong, money lending occurred on a sporadic basis, contingent upon the availability of funds and referrals from the directors, as the Company did not engage in marketing of these services. Consequently, the Directors do not view money lending as a principal or core business of the Company during this fiscal year.

The lending activities were limited to term loans with fixed interest rates. Each proposed loan was evaluated individually, with no specific industry designated for lending purposes. However, the Company does maintain a money lending checklist that the Directors must adhere to if the need arises. Loans are only issued from idle funds and are extended solely to individuals or their companies who approach the subsidiary's directors through personal connections. The directors then conduct a credit assessment, and if the results are satisfactory, they submit their recommendations to the Directors in Hong Kong for further evaluation and approval.

The assessment and Know Your Client (KYC) processes adhere to the following procedures:

1. Verify the identities of the directors of the borrowers and guarantors (where appropriate).
2. Confirm the address proof for both the borrowers and guarantors.
3. Obtain a copy of the business registration certificate and the company number, if applicable.

4. Review the memorandum and articles of association for both the borrower and the guarantor, if applicable.
5. Consult with external legal advisors, if necessary.

After collecting and verifying the background information of the prospective borrowers, the director of our Hong Kong money-lending operation or the director from the Mainland subsidiary will conduct a loan assessment process. This includes evaluating the creditworthiness and financial standing of the borrowers by reviewing the management accounts, and the personal financial background of the guarantor, where applicable.

Taking into account the borrower's financial condition, the extent and quality of collaterals or guarantees, as well as the loan tenure, the director of the Hong Kong money-lending operation or the relevant Mainland subsidiary will propose an interest rate aimed at rationalising profit while ensuring compliance with the interest rate regulations in Hong Kong and the Mainland. This is to ensure that we do not impose interest rates exceeding the statutory limits. Normally, the Mainland subsidiary will charge no less than double the China Loan Prime Rate (CLPR), while the Hong Kong money lender will add a reasonable premium atop the Hong Kong Prime Rate.

The due diligence report, KYC documentation, and credit assessment documents, along with the loan amount, terms, and repayment method, will be submitted to the Group's directors for approval. Once approval is granted, the final loan agreement will be executed by our director of the Mainland subsidiary, along with the borrower and the guarantor.

The directors of the Hong Kong money lender or the relevant Mainland subsidiary will maintain personal contact with the borrowers periodically throughout the duration of the loan. They will begin reminding the borrowers about repayment approximately one month before the respective due dates.

The following are our standard procedures for handling delinquent loans:

A demand letter will be sent to the borrower requesting immediate repayment.

Our legal counsel in Hong Kong or the Mainland will be instructed to issue a demand letter to both the borrower and the guarantor, demanding immediate repayment.

Formal legal action will be initiated if:

- (a) The borrower refuses to repay; or
- (b) No settlement arrangement is reached within 14 working days from the date of our legal demand letter.

Ever since the current management permitted the granting of such term loans, there has been no signs that any Loan would become delinquent.

During the year ended 30 June 2025, the Company's subsidiary in the Mainland China (Mainland) entered into lending agreements (“**Loan**”) with six independent third-party companies in the PRC. The total amount of loans as at 30 June 2025 was RMB25.5 million (RMB4.0 million as at 30 June 2024). Each loan had a duration of 12–24 months started from the drawdown date, with an interest rate of 6–8% per annum, consistent with the rate in 2024.

As at 30 June 2025, the Company's money lending business in Hong Kong entered into lending agreements with eight independent third party individuals. The total loan amount as at 30 June 2025 was HK\$21.3 million (HK\$2.5 million as at 30 June 2024), loan tenor ranging from six to twelve months from the drawdown date. The interest rate for these loans ranged from 8%–8.5% per annum.

OUTLOOK

During 2025, the global energy and technology landscapes are undergoing rapid transformation, driven by the imperatives of decarbonization, digitalization, and escalating energy demands from AI and electrification. The Group's business covers three pivotal sectors: Green Energy (represented by Hydrogen & Oxyhydrogen), Data Centre, and Renewable Energy.

Hydrogen is emerging as a cornerstone for hard-to-abate sectors, with the Oxyhydrogen Gas invented by the Group's scientists, the advancements in production and storage poised to reduce costs significantly.

Despite the difficulties in sourcing high efficiency chips and the slower than expected settlement cycle, Data Centres are scaling aggressively to support AI workloads, incorporating innovative cooling and power solutions amid power constraints. The market potential still justifies greater effort in expanding the business in this arena, provided that cash-rich customers can be secured.

Renewable Energy continues its dominance in electricity generation, with solar and wind leading breakthroughs in efficiency and deployment. Market projections indicate robust growth across all sectors through 2030, fueled by policy support, investments, and technological maturity. Interconnections such as renewables powering data centres and hydrogen storage balancing grids-underscore synergies for a sustainable future. Following the fading traction in solar photovoltaic systems (“SPV”) in Hong Kong due to the expiry of the FiT scheme on 31 December 2033, the group has been exploring other non-FiT SPV in Hong Kong and South East Asia, which would generate electricity for customers' own use. Along with such lines of development, the group has started to build up power storage techniques which are prohibited under the FiT scheme. Trial pilot projects in Singapore and Vietnam were successfully accomplished during the fiscal year.

A. Green Energy Business focused on Oxyhydrogen Gas

Technological Developments

Oxyhydrogen gas is considered a source of green energy because, like hydrogen, its combustion is exothermic, that is, it results in the formation of water and the release of energy. Hydrogen technology in 2025 is marked by accelerated progress in production, storage, and applications, addressing key barriers like cost and scalability. Green hydrogen production via electrolysis is advancing rapidly, with innovations in electrolyzer efficiency and integration with renewables. For instance, the U.S. hosts 67 planned green hydrogen projects over the next five years, leveraging advanced proton exchange membrane (PEM) and alkaline electrolyzers to produce low-carbon fuel at scale. Toyota's roadmap at the 2025 Hydrogen and Fuel Cell Seminar emphasizes modular fuel cell stacks and hydrogen infrastructure for mobility, targeting broader adoption in heavy-duty transport. Emerging trends include geologic hydrogen extraction, explored in U.S. Department of Energy webinars, which could yield ultra-low-cost natural hydrogen reserves. Production costs are declining due to the lower costs of renewables and improvements in catalysts. However, the Oxyhydrogen that the group produces demands a significantly lower cost than traditional hydrogen gas. The Oxyhydrogen gas, which is not highly inflammable, can flow through ordinary plastic pipes without the need for high-pressure compression, resulting in significant cost reduction in terms of transportation and storage.

Market Outlook

The hydrogen market is on a trajectory of explosive growth, transitioning from niche to mainstream energy carrier. Global demand reached 97 million tonnes (Mt) in 2023 and is projected to surge, with low-emission production hitting 49 Mt per annum (Mtpa) by 2030 based on announced projects. The green hydrogen segment alone was valued at HKD 71 billion in 2024, expected to reach HKD 1,050 billion by 2030 at a compound annual growth rate (“CAGR”) of 56.75%. Overall hydrogen market revenue is forecasted to grow from HKD 1,750 billion in 2025 to HKD 2,440 billion by 2030. Such market outlook offers a great opportunity to the group's Oxyhydrogen gas as an ideal low cost substitute for hydrogen.

During the product launch phase, this business is expected to be highly capital-intensive. To support the rollout of this project, the Group has allocated approximately RMB25 million. Instead of directly selling the OxyHydrogen Gas machines, the Group will sell the steam generated by these machines, leveraging the integration with tailor-made boilers. Following the successful launch of the initial batch of machines, the Group anticipates securing substantial deposits from customers prior to the installation of the machines at their premises. This innovative business model is expected to significantly enhance the Group's cash flow, eliminate the constraints of project financing, and accelerate market penetration. Notably, numerous potential customers have been eagerly awaiting the successful launch of this project and have expressed their willingness to provide substantial deposits upon signing the steam supply agreements. To facilitate the Group's

entry into the consumer market, instead of directly selling oxyhydrogen gas, the Group will sell steam generated by tailor-made boilers heated using oxyhydrogen gas. The steam market in the PRC is vast, with extensive applications across various industries.

The steam-supply market in the People's Republic of China (PRC) is substantial and continues to grow, driven by industrial demand, urbanization, and environmental regulations.

The PRC government has been intensifying its environmental regulations to combat air pollution and reduce carbon emissions, driving a shift away from fossil fuels. This regulatory push has catalyzed the adoption of cleaner energy solutions, including steam generation from renewable or low-emission sources. Additionally, the growing emphasis on energy efficiency has opened doors for advanced steam generation technologies that are both efficient and environmentally friendly. Despite this, traditional coal-fired steam generation systems, owing to their low cost, continue to dominate many areas of the market. The Group's low-cost Oxyhydrogen solution offers a compelling resolution to this challenge.

Manufacturing Sector: The manufacturing sector, encompassing industries such as textiles, chemicals, pharmaceuticals, and food processing, remains a significant consumer of steam. These industries rely on steam for critical processes including heating, drying, and sterilization. The Group's primary focus is on the denim processing sector, where negotiations for steam supply have been ongoing for over six months. Management is confident that these discussions will culminate in a successful outcome in the near future.

Power Generation: While the PRC's power generation sector is heavily reliant on coal, there is a growing interest in cleaner energy sources, including renewable and alternative energy-based steam generation. The Group has identified this vast market as the next frontier for its market expansion strategy.

Market Opportunities: The steam-supply market in the PRC is robust, offering numerous opportunities for innovative and environmentally friendly solutions. The transition to cleaner energy sources, coupled with the increasing demand from industrial and urban sectors, positions this market as a promising area for investment and development. The Group is well-positioned to capitalize on these trends, leveraging its low-cost Oxyhydrogen technology to drive sustainable growth and market leadership.

The steam supply market in the PRC is vast, with estimates suggesting it is in the range of hundreds of billions of RMB annually. The market is driven by industrial demand, urbanization, and environmental regulations, making it a promising area for investment and development. The transition to cleaner energy sources and the increasing demand from industrial and urban sectors further underscore the potential for growth in this market.

B. Renewable Energy Business

Technological Developments

Renewable energy technologies in 2025 are advancing in efficiency, integration, and affordability, solidifying their role in global decarbonization. Solar PV efficiency has surpassed 25% in commercial modules, with perovskite tandems pushing lab records to 34%, enabling compact, high-yield installations. Energy storage innovations, like long-duration flow batteries and solid-state variants, address intermittency, with U.S. DOE targeting 10-hour discharge by 2026. Grid-edge tech, including virtual power plants and AI-forecasting, enhances reliability. Global investments in R&D — HKD 14 trillion in 2025 — focus on hybrid systems combining solar, wind, and hydrogen. Ember's 2025 review highlights solar's record 40% clean power share in 2024, driven by bifacial panels and agrivoltaics.

Market Outlook

Renewable energy markets are set for unprecedented expansion, with generation jumping 84% by 2030 to meet data centre and electrification demands. Global capacity additions reached record highs in 2024, with clean power at 40% of electricity; solar deployments are forecast at 655 GW in 2025 alone, though growth may slow to 10% amid supply chain strains. Overall market size is expected to grow at a CAGR of 12.17% through 2030, reaching HKD 15,800 billion. Solar PV will triple from 2023 levels by 2030, serving 67% of electricity needs alongside wind. Opportunities lie in emerging economies and storage integration, with Deloitte forecasting a supply-demand gap closure via accelerated permitting. The Group's Renewable Energy team successfully completed a trial SPV project in Vietnam during the fiscal year, and has been negotiating for long-term large scale SPV projects in Vietnam, with high hope of success.

C. Smart City Solution Business, focused on Data Centres

Technological Developments

Data centre innovations in 2025 are centered on efficiency, sustainability, and AI integration to handle surging computational loads. Liquid cooling systems are gaining traction, with direct-to-chip and immersion technologies reducing energy use by up to 40% for high-density AI servers. Edge computing is expanding, bringing processing closer to users for low-latency IoT and 5G applications. Power innovations include small modular reactors (SMRs) for nuclear-backed facilities and hydrogen fuel cells as backups, bridging to full renewables. Optical transceivers at 1.6T speeds are deploying in hyperscalers, enabling faster data transfer amid AI demands. Sustainability drives modular, prefabricated designs that cut construction time by 50%, per renowned global analysis. AI automation optimizes operations, predicting failures and balancing loads, while higher-density fiber optics support exascale computing. Challenges like water usage for cooling are being addressed via closed-loop systems and atmospheric water harvesting. Forrester identifies 10 emerging innovations, including quantum-resistant security and bio-inspired cooling.

Market Outlook

The data centre market is booming, propelled by AI and cloud expansion, with global capacity tripling by 2030. The sector's value stood at HKD 2,700 billion in 2024, projected to reach USD 652 billion by 2030 at a CAGR of 10.9%. AI-specific data centres are valued at HKD 5,080 billion in 2025, soaring to HKD 7,280 billion by 2030. Power demand will rise 165% by 2030, driven by hyperscalers, necessitating 10 GW of new builds in 2025 alone. Capital expenditures could hit HKD 55 trillion globally by 2030, with edge and colocation segments leading. Constraints like grid bottlenecks may slow growth, but opportunities in sustainable financing and public-private partnerships position the sector for resilience.

Conclusion

Hydrogen, Data Centre, and Renewable Energy form an interconnected triad essential for net-zero ambitions. Renewables provide the backbone for cheap green hydrogen production, while data centres' voracious power needs accelerate renewable deployments and hydrogen backups. Technological strides — from efficient electrolyzers to liquid-cooled AI racks and advanced PV — are mitigating costs and scalability hurdles. Markets project trillions in value creation by 2030, but success hinges on policy alignment, infrastructure investment, and supply chain resilience. The group would prioritize cross-sector collaborations to harness these opportunities amid geopolitical and climatic risks.

LIQUIDITY AND FINANCIAL RESOURCES

Financial Position and Gearing

The Group's financial position remained positive with reasonable gearing.

As at 30 June 2025, the Group had approximately HK\$11.9 million (2024: approximately HK\$14.7 million) liquid assets made up of deposits, bank balances and cash.

Current assets were approximately HK\$257.0 million (2024: approximately HK\$220 million) and current liabilities amounted to approximately HK\$181.6 million (2024: approximately HK\$158 million). With net current assets of approximately HK\$74.9 million (2024: approximately HK\$62 million), the Group maintained a healthy level of financial liquidity. Gearing ratio at 30 June 2025 is 0.06 (2024: N/A).

As at 30 June 2025, the Group had short term borrowings of approximately HK\$7.1 million (2024: HK\$ Nil). Finance costs for the year were approximately HK\$435,000 (2024: approximately HK\$40,000).

Fund Raising Activities

A. 2024 Placing

On 27 June 2024, the Company entered into a placing agreement pursuant to which the Company conditionally agreed to place, on a best effort basis, maximum of 136,764,000 placing Shares.

The placing of new shares was completed on 19 July 2024 and a total of 136,764,000 Placing Shares at the Placing Price of HK\$0.175 per Placing Share were placed to not less than six Placees (2024 Placing). The net price of each Placing Share received was approximately HK\$0.171. The market price of the share of the Company on 27 June 2024, being the date on which the terms of the issue were fixed, was HK\$0.203.

Date of Announcement	Fund raising activity	Net proceeds raised	Intended use of proceeds	Actual use of proceeds
19 July 2024	Placing of new Ordinary shares under general mandate	Approximately HK\$23.0 million	For general working capital purpose of the Group, working capital for renewable energy business and data centre and investment in the Green/ renewable energy sector, which is in accordance with the intention previously disclosed by the Company	Used on intended

As at 30 June 2025, the Group had fully utilised the net proceeds of the 2024 Placing as follows:

Intended use of net proceeds	Allocation of net proceeds	Fully utilised up to the financial period ended
	HK\$ (million)	30 June 2025 HK\$ (million)
General working capital of the Group	8.0	8.0
Renewable energy business and data centre	10.0	10.0
Investment in the Green or renewable energy sector	5.0	5.0
	<u>23.0</u>	<u>23.0</u>

B. 2025 Placing

On 7 January 2025, the Company entered into a placing agreement, pursuant to which the Company conditionally agreed to place, on a best effort basis, maximum of 164,112,000 placing shares (2025 Placing).

The placing of new shares was completed and a total of 164,112,000 placing shares at the placing price of HK\$0.245 per placing share were placed to not less than six placees on 4 February 2025. The net proceeds from the placing, after deducting placing commission, professional fees and all related expenses, amounted to approximately HK\$38.5 million. The net price of each Placing Share received was HK\$0.238. The market price of the share of the Company on 7 January 2025, being the date on which the terms of the issue were fixed, was HK\$0.295. The Company intends to use the net proceeds mainly for the working capital for the Green Energy Business of the Group.

Date of Announcement	Fund raising activity	Net proceeds raised	Intended use of proceeds	Actual use of proceeds
7 January 2025	Placing of new Ordinary shares under general mandate	Approximately HK\$38.5 million	For working capital specifically for the Green energy business of the Group, which is in accordance with the intention previously disclosed by the Company	Used on intended
Intended use of net proceeds				Utilisation up to the financial period ended 30 June 2025
				Allocation of net proceeds HK\$ (million)
Working capital specially for the Green energy business				38.5
				19.9

Treasury Policy

The Group is committed to manage its financial resources prudently and to maintain a positive liquid financial position. The Group finances its operation and business development by a combination of internally generated resources, capital market instruments and banking facilities. All the borrowings were used by subsidiaries of the Company in the form of fixed loans, margin loans and promissory notes. As all the Group's borrowings were denominated in their local currencies, the currency risk exposure associated with them was insignificant. The Group does not engage in any speculative derivatives or structured product transactions, interest rate or foreign exchange speculative activities. It is the Group's policy to manage foreign exchange risk through matching foreign exchange income with expenses and, where significant exposure to foreign exchange is anticipated, appropriate hedging instruments may be used.

Capital Commitments

As at 30 June 2025, the Group did not have any capital commitments authorised but not contracted for (2024: capital commitment of approximately HK\$5.5 million in relation to the capital injection of a subsidiary located in the PRC).

Charges

As at 30 June 2025, a property of the Group located in the PRC with carrying amount approximate to HK\$24.1 million has been pledged as collaterals for the banking facilities of a subsidiary operating in PRC.

Contingent liabilities

As at 30 June 2025, the Group had on record a contingent liability of HK\$1 million for which provision is not made since, after due consultation with lawyers, the directors are of the view that a provision is unnecessary as the chance of winning the case is high. The Group's subsidiary is the plaintiff in this High Court case claiming a subcontractor for costs incurred and wasted in performing a main installation contract amounted to at least HK\$0.5 million plus and the loss of profits in the main and other contracts totalled HK\$5.3 million as a result of the defective and substandard work of the subcontractor. Our claim is supported by a lot of evidence including but not limited to a Defects Report prepared by qualified independent professional engineers. Save as disclosed, the Group had no other material contingent liabilities as at 30 June 2025 (30 June 2024: nil).

Significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures, and future plans for material investments or capital assets

Save as disclosed, there were no significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures, and future plans for material investments or capital assets during the year ended 30 June 2025.

REMUNERATION POLICY

As at 30 June 2025, the Group employed about 45 full-time and part-time staff around the globe (2024: 41). Staff costs for the year ended 30 June 2025 were approximately HK\$21.3 million (2024: approximately HK\$12.7 million).

The remuneration of the employees of the Group is determined with reference to market terms and the performance, qualifications and experience of the individual employee.

Emoluments of the Directors are recommended by the Human Resources and Remuneration Committee of the Company after considering factors such as the Company's operating results, individual capabilities, performance, salaries paid by comparable companies, and time commitment and responsibilities of the position.

The Company has adopted a share option scheme that may serve as an incentive to Directors, eligible employees and consultants where appropriate.

FINAL DIVIDEND

The Directors do not recommend any payment of final dividend for the year ended 30 June 2025 (2024: Nil).

EVENT AFTER REPORTING PERIOD

Save as disclosed, no significant event affecting the Group occurred subsequent to 30 June 2025.

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

Neither the Company nor its subsidiaries purchased, sold or redeemed the Company's listed securities during the year ended 30 June 2025.

SCOPE OF WORK OF CHENG & CHENG LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 30 June 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, CHENG & CHENG LIMITED, Certified Public Accountants, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by CHENG & CHENG LIMITED in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by CHENG & CHENG LIMITED on the preliminary announcement.

CODE OF CORPORATE GOVERNANCE

Throughout the year ended 30 June 2025, the Company complied with the code provisions in the code provisions of the Corporate Governance Code (the "**CG Code**"), contained in Appendix C1 to the Listing Rules.

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Specific enquiries have been made with all Directors, who have confirmed that, during the year ended 30 June 2025, each of them has complied with the required standards as set out in the Model Code.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) has reviewed with the management of the Group on the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters.

The annual results of the Company for the year ended 30 June 2025 have been reviewed by the Audit Committee.

By order of the Board
CHAMPION TECHNOLOGY HOLDINGS LIMITED
WONG MAN WINNY
Chairperson

Hong Kong, 29 September 2025

As at the date of this announcement, the executive directors of the Company is Ms. Wong Man Winny; the non-executive director of the Company is Mr. Liu Ka Lim; and the independent non-executive directors of the Company are Mr. Leung Man Fai, Mr. Chan Yik Hei and Mr. Wong Yuk Man Edmand.