



PINE TECHNOLOGY
HOLDINGS LIMITED
松景科技控股有限公司*

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

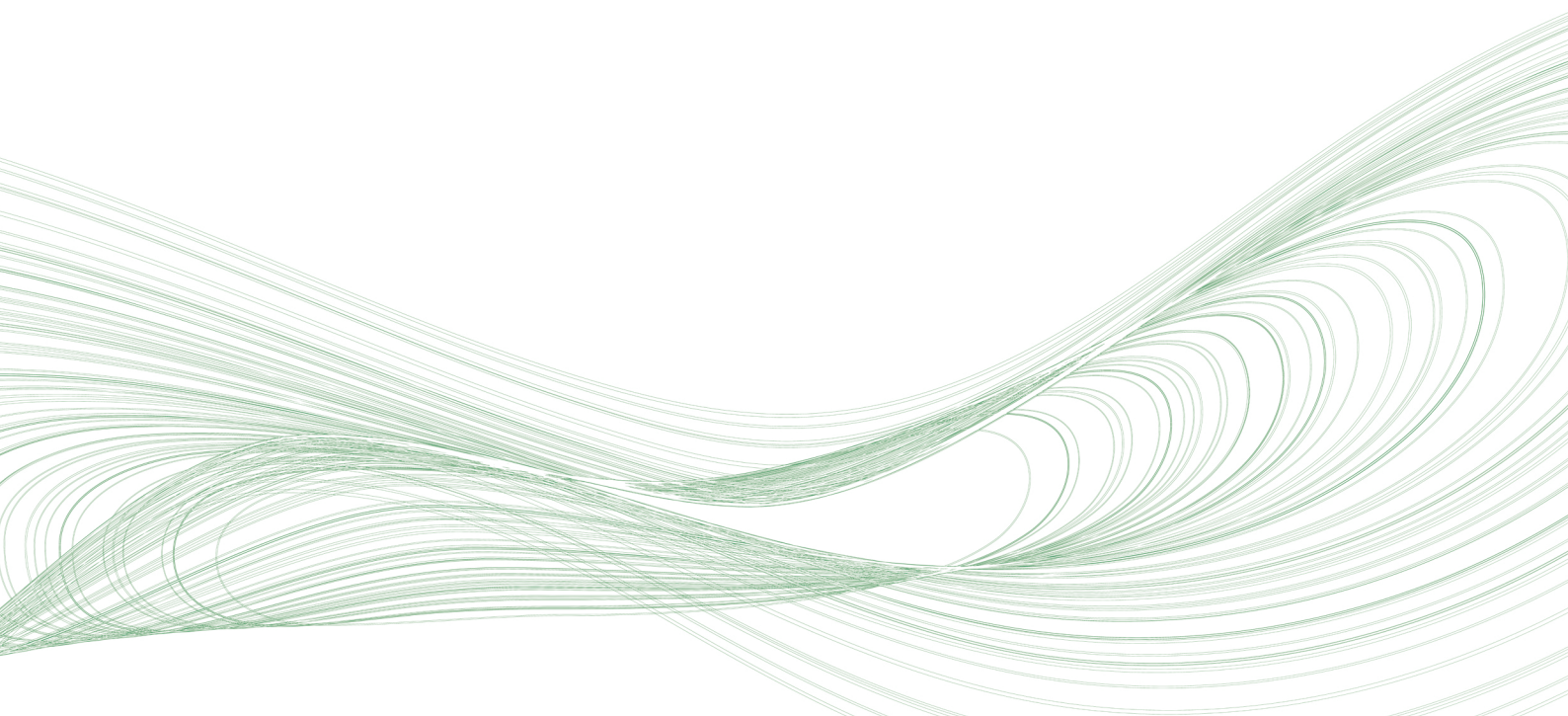
Stock Code 股份代號 : 1079

2025

ANNUAL REPORT
年度報告

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FINANCIAL HIGHLIGHTS

KEY FINANCIAL FIGURES AND RATIOS

	Audited results for the year ended 30 June		
	2025 HK\$'000	2024 HK\$'000	Changes in %
Performance indicators			
Revenue	303,427	234,832	29%
Gross profit	4,968	2,827	76%
(Loss)/profit for the year	(16,562)	45,019	(137)%
(Loss)/profit attributable to owners of the Company	(17,128)	45,641	(138)%
(Loss)/earnings per share-basic and diluted (HK\$)	(0.013)	0.034	(138)%
Financial health indicators			
Total assets	74,999	90,454	(17)%
Net current assets	67,501	83,031	(19)%
Cash and cash equivalents	68,522	83,646	(18)%
Liquidity and gearing			
Current ratio (times)	16.31	21.43	(24)%
Gearing ratio (%)	7	4	75%

CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Zhang Sanhuo
(Resigned on 3 October 2025)
Ms. An Juan
Mr. Wang Shoulei
(Appointed on 3 March 2025)
Mr. Yu Wei
(Chairman and Chief Executive Officer)
(Appointed on 3 October 2025)

Independent Non-executive Directors

Mr. So Stephen Hon Cheung
Mr. Zhou Chunsheng
Mr. Tian Hong

Company Secretary

Ms. Lui Mei Ka
(Appointed on 19 March 2025)
Mr. Chan Cheuk Ho
(Resigned on 19 March 2025)

Authorised Representatives

Mr. Zhang Sanhuo
(Resigned on 3 October 2025)
Mr. Yu Wei
(Appointed on 3 October 2025)
Ms. Lui Mei Ka
(Appointed on 19 March 2025)
Mr. Chan Cheuk Ho
(Resigned on 19 March 2025)

Audit Committee

Mr. So Stephen Hon Cheung (Chairman)
Mr. Zhou Chunsheng
Mr. Tian Hong

Remuneration Committee

Mr. So Stephen Hon Cheung (Chairman)
Mr. Zhang Sanhuo
(Resigned on 3 October 2025)
Mr. Zhou Chunsheng
Mr. Tian Hong
Mr. Yu Wei
(Appointed on 3 October 2025)

Nomination Committee

Mr. Zhang Sanhuo
(Resigned on 3 October 2025)
Mr. Yu Wei (Chairman)
(Appointed on 3 October 2025)
Ms. An Juan
(Appointed on 30 June 2025)
Mr. So Stephen Hon Cheung
Mr. Zhou Chunsheng
Mr. Tian Hong

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and Principal Place of Business

Unit B, 12/F., Central 88
88–98 Des Voeux Road Central
Central
Hong Kong

Principal Banker

Bank of Communications (Hong Kong) Limited

Principal Share Registrar and Transfer Agent

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Independent Auditor

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

Legal Adviser

As to Hong Kong Law:
CLKW Lawyers LLP
in association with Michael Li & Co Solicitors

Stock Code

1079

Website of the Company

<https://www.irasia.com/listco/hk/pine>

CHAIRMAN'S STATEMENT

On behalf of the board (the “**Board**”) of directors (the “**Director(s)**”) of PINE Technology Holdings Limited (the “**Company**”), I hereby present the annual report of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 30 June 2025 (the “**Year**”). For the Year, the Group’s revenue was approximately HK\$303.4 million, representing an increase of approximately 29% compared to that of approximately HK\$234.8 million last year. The Group recorded gross profit for the Year of approximately HK\$5 million, as compared to the gross profit of approximately HK\$2.8 million last year. The Group recorded a loss attributable to the owners of the Company of approximately HK\$17.1 million for the Year, compared with the profit attributable to the owners of the Company for the last year amounted to approximately HK\$45.6 million.

OPERATING ENVIRONMENT

The Year unfolded amid persistent global economic uncertainty, marked by geopolitical tensions (including ongoing China-US trade frictions) that disrupted supply chains and intensified pricing volatility. In the People’s Republic of China (the “**PRC**”) – our primary market for procurement and sales – economic recovery trailed expectations, with consumer and enterprise spending remaining subdued. This landscape fuelled aggressive price competition across the electronics sector, which, combined with elevated raw material costs and upfront investments in new business initiatives, pressured gross margins despite the Group’s revenue growth.

OUTLOOK

Looking ahead, global economic uncertainty persists, with geopolitical tensions, elevated interest rates, and tepid trade growth continuing to shape market dynamics. In the PRC – our core procurement and sales market – we anticipate gradual economic stabilization supported by policy measures to stimulate domestic demand, though recovery remains measured amid structural shifts, creating cautious opportunities in technology-driven sectors.

Against this backdrop, the Group will balance prudence with selective growth: we will prioritize optimizing our business portfolio by directing resources to high-margin, sustainable segments (such as proprietary brand products, where we will refine offerings and scale distribution while controlling costs, and our Shenzhen joint venture, which we will support in expanding into high-value verticals for integrated solutions). We will also review low-margin segments (e.g., raw material trading) to align resource allocation with long-term value creation, while embedding rigorous risk management – focusing on cash flow discipline, proactive inventory control, and stringent credit assessments – to navigate volatility and lay the groundwork for sustainable performance.

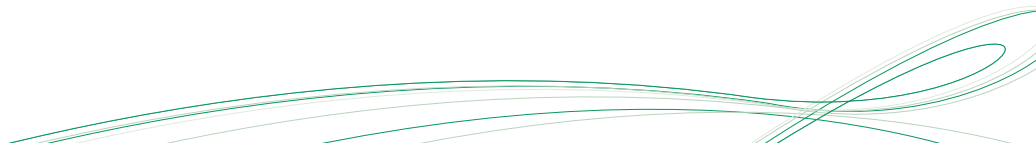
APPRECIATION

On behalf of the Board, I thank the Group's management and employees for their resilience and dedication – their efforts were vital in driving revenue growth amid challenges. I also extend gratitude to our shareholders, investors, customers, and partners for their continued trust.

We remain committed to transparent governance and long-term value creation, and we look forward to steering the Group toward sustainable growth.

Zhang Sanhuo*CHAIRMAN*

Hong Kong, 30 September 2025



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue for the Year was approximately HK\$303,427,000, representing an increase of approximately 29% as compared with approximately HK\$234,832,000 last year. The increase in revenue was mainly attributable to the increase in the sales of other manufacturers' computer components and consumer electronic products and others during the Year.

The Group generated revenue of approximately HK\$252,859,000 from the sales of other manufacturers' computer components and consumer electronic products and others during the Year (2024: approximately HK\$190,982,000). Revenue from other business segments also recorded a certain degree of growth.

Gross Profit and Gross Profit Margin

The Group recorded an increase in revenue, with a corresponding increase in gross profit from approximately HK\$2,827,000 in the last year to approximately HK\$4,968,000 for the Year. The Group's gross profit margin improved from approximately 1.2% in the last year to approximately 1.6% for the Year. This improvement was mainly attributable to the performance of the Group's two segments, namely Group's brand products and the provision of computer software and hardware and system development services. Both segments achieved significant revenue growth in the Year, and accordingly their gross margins were higher.

Gain on Disposal of Subsidiaries

The Group did not record any gain or loss on the disposal of subsidiaries for the Year, as there were no disposal of subsidiaries during the Year. In the last year, the Group recorded a gain on the disposal of subsidiaries of approximately HK\$57,411,000. For further details of the disposal of subsidiaries in the last year, please refer to the announcements of the Company dated 21 December 2023 and 22 December 2023.

Impairment Loss on Right-of-Use Asset

During the Year, the Group recognised an impairment loss on right-of-use asset of approximately HK\$1,640,000 (2024: Nil). The impairment loss was recognised based on the Group's impairment assessment of the relevant cash-generating-units in accordance with HKAS 36 "Impairment of Assets". The assessment was conducted after certain indicators of impairment were identified.

Selling and Distribution Expenses

Selling and distribution expenses mainly consist of employee costs and mandatory provident fund contributions for sales and marketing personnel. The Group's selling and distribution expenses for the Year increased by approximately 39.6%, reaching approximately HK\$1,397,000, compared to approximately HK\$1,001,000 for the last year. Such increase is mainly due to an increase in the number of sales staff of the Group during the Year.

FINANCIAL REVIEW *(Continued)***General and Administrative Expenses**

General and administrative expenses mainly consist of employee costs (including Directors' remuneration) related to the Group's administrative staff, office expenses, depreciation of right-of-use asset, amortisation of intangible assets, travelling and other expenses. These expenses increased from approximately HK\$13,819,000 for the last year to approximately HK\$17,652,000 for the Year, representing an increase of approximately 27.7%. The increase is mainly attributable to the increase in staff headcount and salary adjustments.

Income Tax Expense

Income tax expense for the Year and the last year mainly comprised of tax expense in PRC and was solely attributable to income tax in both years. Details of the Group's income tax expenses for the Year are set out in note 9 to the consolidated financial statements in this report.

Loss/Profit for the Year

For the Year, the Group recorded a loss attributable to the owners of the Company of approximately HK\$17,128,000, as compared to a profit of approximately HK\$45,641,000 for the last year. This turnaround was primarily attributable to the absence of a one-off gain of approximately HK\$57,411,000 from the disposal of subsidiaries, which was recognised in the last year. Apart from the absence of such one-off gain, there were no other material non-recurring items affecting the results for the Year.

Liquidity and Financial Resources

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the costs of funds, the Group's treasury activities are centralised and cash is generally deposited with licensed banks in Hong Kong and the PRC.

The Group has maintained its funds at a sound and healthy financial resource level. The Group's net current assets and equity attributable to owners of the Company as of 30 June 2025 were approximately HK\$67,501,000 and approximately HK\$66,616,000 respectively (2024: approximately HK\$83,031,000 and approximately HK\$83,656,000 respectively). As of 30 June 2025, net current assets included bank balances and cash of approximately HK\$68,522,000 (2024: approximately HK\$83,646,000).

As of 30 June 2025 and 30 June 2024, the Group had no outstanding bank borrowings.

The current ratio, being the ratio of current assets to current liabilities, was approximately 16.31 times as of 30 June 2025 (2024: approximately 21.43 times).

The Group continued to maintain a healthy financial and cash position. The Company did not carry out any fund raising activities by issuing new shares of the Company during the Year.

Pledge of Group's assets

The Group did not have any charge on assets for the Year (2024: Nil).

Share Capital and Capital Structure of the Company

As at 30 June 2025, the Company had 1,326,701,739 ordinary shares of HK\$0.10 each in issue (2024: 1,326,701,739 Shares).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW *(Continued)*

Gearing Ratio

As at 30 June 2025, the gearing ratio of the Group based on total liabilities over total assets was approximately 7% (2024: approximately 4%).

Foreign Exchange Exposure

The Group's monetary assets, liabilities and transactions are mainly denominated in Hong Kong dollars and Renminbi. The Group is mainly exposed to foreign exchange risk with respect to Renminbi which may affect the Group's performance. The Group regularly reviews the balances of assets and liabilities and the currencies in which the transactions are denominated so as to minimise the Group's exposure to foreign currency risk. During the Year, no financial instruments had been used for hedging purpose. The Directors are of the view that the transactional exposure of the Group in currencies other than the functional currencies is maintained at an acceptable level.

BUSINESS REVIEW

During the Year, the Group operated amid persistent China – US trade tensions, tariff uncertainties and a slower than expected recovery in the PRC, the Group's principal procurement and sales market, where both consumer and enterprise spending remained cautious and price competition intensified. The increase in revenue of the Group was mainly driven by broader commercial reach and execution improvements across the portfolio. Profitability of the Group remained modest due to margin pressure arising from value-oriented consumption and month to month price volatility, together with prudent pricing adopted to protect market share and mitigate inventory risk. Management prioritised risk control and cash generation through disciplined forecasting, procurement and working capital management, maintaining healthy inventory turnover and containing receivables risk without material bad debts or additional impairment. The Group adopted conservative capital deployment while investing selectively in brand, channels and technology to support long-term competitiveness, balancing growth with risk and safeguarding liquidity and asset quality.

Group's Brand Products

During the Year, the Group strategically entered the direct-to-consumer market by launching a new online sales platform for its proprietary brand products. The products sold by the Group under this segment comprise computer components and consumer electronic products, including power banks and USB flash drives marketed under the Group's own brand. These products are produced by original equipment manufacturers (OEM) in the PRC on behalf of the Group and are sold in Hong Kong to resellers, corporate customers, and individual end users. This initiative has yielded immediate positive results, generating segment revenue of approximately HK\$641,000 and a segment profit of approximately HK\$467,000. This performance represents a substantial improvement compared to the last year's segment loss of approximately HK\$112,000. The positive market reception is a testament to customer confidence in our brand, which is built upon stringent quality assurance measures applied to OEM production. Key metrics such as online sales penetration and average order value are progressing well towards our targets. The Group will continue to build on this momentum by enhancing its brand presence and refining sales strategies to ensure sustainable long-term growth.

BUSINESS REVIEW (Continued)

Other Brand Products

For the Year, segment revenue and segment profit from other brand products were approximately HK\$252,859,000 and approximately HK\$1,959,000, respectively (2024: approximately HK\$190,982,000 and approximately HK\$1,799,000). This segment comprises: (i) sales of other manufacturers' computer components (the **"Other Computer Components"**); and (ii) sales of consumer electronic products, including mobile phones, laptops, tablets, security cameras, wireless mice, USB flash drives, external hard disks, printers and monitors (the **"Other Electronic Products"**), and together with the Other Computer Components, the **"Other Products"**).

The Group primarily sold Other Products to distributors and retailers across Asia. The Directors consider that this channel mix supports stable profitability and higher volume while reducing time and costs relative to direct sales to individual end users.

During the Year, revenue growth in this segment was primarily driven by increased order volumes and the continued expansion of the new customer base. Despite this growth, the gross profit margin for the segment declined year-over-year, reflecting the impact of the macroeconomic environment and value-oriented consumer behavior. In response to weaker growth momentum in the PRC and cautious consumer sentiment, the Group adopted prudent, competitive pricing to preserve market share and address price sensitive demand. The product mix was adjusted to include more stable demand items with relatively lower margins, which supported sales volumes but exerted short-term pressure on gross margin.

Under the prevailing economic conditions, management does not adopt aggressive sales tactics for short-term gains, with risk management prioritised. Operational discipline in this segment remained robust. Through segment specific sales forecasting and stringent procurement controls, the segment avoided over-ordering and inventory build up; no provision for obsolete inventories was required and inventory turnover remained at a healthy level. In addition, rigorous credit assessments for new customers effectively contained receivables risk. No material bad debts were recorded for this segment and no additional impairment of trade receivables was required.

Trading Business

The Group procures raw plastic materials, including polypropylene and polyethylene, in bulk directly from petrochemical manufacturers, primary producers, and commodity distributors in the PRC, and supplies these materials to intermediary distributors and end-product manufacturers in the PRC at competitive prices.

During the Year, revenue from the trading business increased by approximately 11%. Segment revenue and segment profit were approximately HK\$46,924,000 and approximately HK\$75,000, respectively (2024: approximately HK\$42,163,000 and approximately HK\$245,000). Despite the revenue growth, the segment operated on a thin margin. The ongoing China – US trade frictions and unpredictable tariff situation create uncertainty in the industry. Demand for raw plastic materials is increasingly unpredictable and prices of raw plastic materials had exhibited volatility. In order to mitigate risk and avoid inventory losses, certain products were sold at lower prices. Supply and demand dynamics fluctuated significantly on a month-to-month basis during the Year as a result of global developments. Management maintained a conservative strategy for this segment, with disciplined pricing and inventory controls.

Looking ahead, if market conditions remain challenging and profitability continues to stagnate in the next financial year, the Group's management may actively consider reallocating resources from this segment to other business areas with higher growth potential, with the objective of maximizing shareholder value.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW *(Continued)*

Computer Software and Hardware and System Development Service

The segment delivered a satisfactory performance during the Year, achieving an impressive turnaround with a segment profit of approximately HK\$1,226,000, compared to a segment loss of approximately HK\$1,094,000 in the last year. Segment revenue also increased significantly by approximately 78%, reaching approximately HK\$3,003,000. Revenue from software development and measurement and control equipment integration businesses contributed equally to this growth.

This robust performance was primarily driven by the new joint venture (the “**JV Company**”), established in Shenzhen, PRC, on 23 January 2024, in which the Group indirectly holds 51% of the equity interest. The JV Company has already made a meaningful contribution to the Group’s overall business operations.

Looking ahead, the management is confident that the JV Company will capitalize on its strategic advantages to rapidly strengthen its market position, expand its customer base, and become a key driver of the Group’s financial performance in the years to come.

BUSINESS OUTLOOK

The Group will continue to consolidate its position in established markets while pursuing disciplined expansion into select growth opportunities, maintaining a cautiously optimistic stance amid an uncertain macro environment. Investment will be directed to initiatives with clear risk-return parameters and measurable milestones, alongside continued emphasis on cost management and working capital discipline. The Group will optimise procurement, pricing and expense efficiency, and maintain prudent risk controls across credit, inventory and liquidity. With a balanced approach to growth and risk, and through continued operational improvements, the Group aims to deliver steady progress in revenue quality, profitability and cash flow.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS AND/OR DISPOSALS

There was no significant investment held by the Group, nor were there any material acquisitions and/or disposals of subsidiaries, associates and joint ventures during the Year.

FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 30 June 2025, the Group did not have any plan for material investments or capital assets in the coming year.

EMPLOYEES AND REMUNERATION POLICY

The Group ensured that its employees are remunerated according to the prevailing manpower market conditions, individual performance, qualification, experience and the remuneration policies, which are reviewed on a regular basis. As at 30 June 2025, the Group had 29 employees, including 3 executive Directors and 3 independent non-executive Directors, at market remuneration with employee benefits such as medical coverage, insurance plan, retirement benefits schemes and discretionary bonus. Staff costs, including Directors’ emoluments, were approximately HK\$12,165,000 for the Year as compared with that of approximately HK\$9,603,000 last year.

CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

The Group had no material capital commitment and contingent liabilities as at 30 June 2025 (2024: Nil).

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Sanhuo (“**Mr. Zhang**”), aged 59, joined the Company on 8 June 2017 and resigned as an executive Director, the chairman (the “**Chairman**”) of the Board and chief executive officer (the “**Chief Executive Officer**”) of the Company, and also ceased to be the chairman of the nomination committee (the “**Nomination Committee**”) and a member of the remuneration committee (the “**Remuneration Committee**”) of the Company with effect from 3 October 2025. He was responsible for overall strategic planning and formulation of corporate strategy of the Company.

Mr. Zhang graduated from 山西財經大學 (Shanxi University of Finance and Economics) with a bachelor's degree in accounting and obtained a master's degree in business administration from 長江商學院 (Cheung Kong Graduate School of Business*). He has over 20 years of experience in corporate management in mining, investment, finance and other industries.

Save for abovementioned, Mr. Zhang was an executive director of Green Leader Holdings Group Limited (“**Green Leader**”) from 7 June 2013 to 4 September 2024, the shares of which are listed on the Main Board (stock code: 61) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Ms. An Juan (“**Ms. An**”), aged 47, joined the Company on 27 June 2024. Ms An obtained the degree of bachelor in educational psychology at Xinzhou Normal University in the PRC in July 2002. With over 20 years of management experience, she has developed a comprehensive understanding of various management processes. Since June 2023, Ms. An has been the legal representative and director of Taiyuan Real Talent Technology Limited, an indirect wholly-owned subsidiary of the Company. Since November 2021, Ms. An has also been the administrative officer of Gujiao Hengbaitai Coal Trading Co. Ltd. (古交市恆佰泰煤炭貿易有限公司), an indirect wholly-owned subsidiary of Green Leader. Ms. An has also been appointed as an executive director of Green Leader with effect from 28 June 2024.

Mr. Wang Shoulei (“**Mr. Wang**”), aged 42, has extensive experience in the capital markets in Hong Kong and the PRC. Mr. Wang obtained the master's degree in Economics from the Shanghai International Studies University (上海外國語大學) in 2009. Prior to joining the Group, he served as the assistant chief executive officer of Luxin International Financial Limited. He also served as the managing director and head of the structured finance department and the debt capital markets department of Zhongtai Financial International Limited, where he was mainly responsible for investment banking operations and primary market investment in overseas markets, and has extensive experience in initial public offerings, public debt offerings, mergers and acquisitions, structured finance and provision of independent financial advisory services. Mr. Wang is the deputy chief executive officer of China Harbour International Financial Limited at present.

* For identification purpose only

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

BOARD OF DIRECTORS *(Continued)*

Executive Directors *(Continued)*

Mr. Yu Wei (“**Mr. Yu**”), aged 48, was appointed as an executive Director, the chairman of the Board and the chief executive officer of the Company with effect from 3 October 2025. Mr. Yu graduated from Tsinghua University with a bachelor’s degree in Engineering from the Department of Automation in 1999 and a master’s degree in Engineering specialised in Control Theory and Control Engineering in 2003, and is a holder of the Fund Qualification Certificate registered under the Asset Management Association of China. He founded 蕪湖希瑪科技發展有限公司 (Wuhu Xima Technology Development Co., Ltd.*) which was principally engaged in the manufacturing and sales of computer components relating to computing and data centers in 2003 and had been the executive director of the company until 2006. He has been an executive director and fund manager of 共青城啟元致德投資管理有限公司 (Gongqingcheng Qiyuan Zhide Investment Management Co., Ltd.*) (“**Qiyuan Zhide**”) since December 2016. Qiyuan Zhide is a qualified fund management institution in private equity investment and venture capital investment registered under the Asset Management Association of China and specialised in the industry of computer components and systems, including computer memory, computing power center, data center and semiconductor chip. Equipped with solid academic knowledge and industry experience, Mr. Yu had become an investor focusing on listed companies in the information technology industry in the PRC since 2007. In 2012 to 2016, Mr. Yu joined 北京深藍啟明投資管理有限公司 (Beijing Shenlan Qiming Investment Management Co, Ltd.*) (“**Shenlan Qiming**”) as the fund manager and supervised and managed the issuance of various private equity investment products in the PRC capital market and a number of private placement activities with companies listed in the PRC. Shenlan Qiming is a qualified fund management institution in private equity investment registered under the Asset Management Association of China.

Independent Non-executive Directors

Mr. So Stephen Hon Cheung (“**Mr. So**”), aged 69, was appointed as an independent non- executive Director on 13 September 2002. He is the chairman of the audit committee (the “**Audit Committee**”) of the Company and the Remuneration Committee and a member of the Nomination Committee. Mr. So is a director of the accounting firm T.M Ho, So & Leung CPA Limited, and is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the Chartered Professional Accountants of Canada and a member of the Society of Certified Management Accountants of Canada. He holds a bachelor’s degree in commerce from the University of British Columbia, Canada and was a visiting professor of various universities and colleges in Beijing, Liaoning, Sichuan, Xinjiang, Qinghai and Guangdong of the PRC. He has extensive experience in the commercial sector of manufacturing, wholesale and trading and in public practice working for various companies in Hong Kong, the PRC and Canada.

Mr. So is an independent non-executive director of YGM Trading Limited (stock code: 375) and YangtzeKiang Garment Limited (stock code: 294) since 20 September 2017, the shares of both companies are listed on the Main Board of the Stock Exchange. From May 2015 to November 2022, Mr. So was the independent non-executive director of Pinestone Capital Limited (stock code: 804), the shares of which are listed on the Main Board of the Stock Exchange. From March 2000 to December 2014, Mr. So was an independent non-executive director of Skyworth Group Limited (stock code: 751) and from April 2011 to February 2017, Mr. So was an independent non-executive director of Milan Station Holdings Limited (stock code: 1150), the shares of both companies are listed on the Main Board of the Stock Exchange. From August 2017 to June 2019, Mr. So was also an independent non-executive director of Teamway International Group Holdings Limited (stock code: 1239), the shares of which are listed on the Main Board of the Stock Exchange.

* For identification purpose only

BOARD OF DIRECTORS *(Continued)***Independent Non-executive Directors** *(Continued)*

Mr. Zhou Chunsheng (“**Mr. Zhou**”), aged 59, joined the Company on 4 July 2017 and is now an independent non-executive Director and member of each of the Audit Committee, Nomination Committee and Remuneration Committee. Mr. Zhou is currently a professor-in-residence of 長江商學院 (Cheung Kong Graduate School of Business*). He was an assistant dean, director of the executive education program and a professor of finance of 光華管理學院 (Guanghua School of Management) of 北京大學 (Peking University). He is a distinguished economist and a winner of the National Excellent Young Researcher Grant. He was an honorary professor at the University of Hong Kong, a visiting professor at the City University of Hong Kong and a member of the 1st and 2nd Listing Committee of the Shenzhen Stock Exchange. Mr. Zhou obtained a master’s degree in mathematics from Peking University and a doctoral degree in economics (finance) from Princeton University in the United States. From 1994 to 1995, he was awarded an honorary doctoral scholarship excellence (Harold Dodds Fellowship) from Princeton University. During 1997 to 2001, Mr. Zhou worked for the University of California and the school of business of the University of Hong Kong. From April 2001 to December 2001, at the invitation of China Securities Regulatory Commission (“**CSRC**”), Mr. Zhou acted as a member (deputy level) of the planning and development committee of CSRC. He also became the head of the finance department of 光華管理學院 (Guanghua School of Management). Mr. Zhou is an expert in analyzing financial investment, securities markets, capital operation and financial derivatives.

Mr. Zhou is currently an independent non-executive director of Central New Energy Holding Group Limited (stock code: 1735), the shares of which are listed on the Main Board of the Stock Exchange. Mr. Zhou was an independent director of Kunwu Jiuding Investment Holdings Co., Limited (“**Kunwu Holdings**”) (a company listed on the Shanghai Stock Exchange) (stock code: 600053) from July 2017 to January 2022 and the director of Nanda Automation Technology Jiangsu Co., Ltd (a company which was delisted from The National Equities Exchange and Quotations System Co., Ltd with stock code: 834876) from January 2011 to May 2022. He was also an independent non-executive director of each of China Information Technology Development Limited (stock code: 8178), the shares of which are listed on GEM of the Stock Exchange, from September 2007 to June 2011, Zhuguang Holdings Group Limited (stock code: 1176), the shares of which are listed on the Main Board of the Stock Exchange, from October 2009 to October 2011, China ITS (Holdings) Co., Ltd. (stock code: 1900), the shares of which are listed on the Main Board of the Stock Exchange, from September 2008 to June 2018 and Green Leader (stock code: 61), the shares of which are listed on the Main Board of the Stock Exchange, from June 2013 to August 2019. Mr. Zhou was also an independent non-executive director of Zhonghong Holdings Co., Limited (“**Zhonghong Holdings**”) (a company delisted on the Shenzhen Stock Exchange) (stock code: 000979), from May 2008 to April 2020. He was also an independent non-executive director of Guosheng Financial Holding Inc. (stock code: 002670) and Transfar Zhilian Co., Ltd. (stock code: 002010), the shares of both companies are listed on the Shenzhen Stock Exchange, from July 2015 to April 2020 and from June 2015 to May 2020, respectively.

* For identification purpose only

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

BOARD OF DIRECTORS *(Continued)*

Independent Non-executive Directors *(Continued)*

As confirmed by Mr. Zhou as an independent non-executive director of Zhonghong Holdings, Zhonghong Holdings received an Investigation Notice (調查通知書) from the CSRC on 14 August 2018 that the financial reports of Zhonghong Holdings in 2017 were alleged to contain certain false information. Pursuant to the relevant requirements of the Securities Law of the PRC, investigation had been carried out by the CSRC in respect of the allegation. A decision of administrative punishment (行政處罰決定書) and a decision on prohibition from access to market (市場禁入決定書) were issued by the CSRC in December 2019 and Mr. Zhou was given a warning and was fined RMB30,000. A decision on disciplinary actions against Zhonghong Holdings and parties concerned (關於對中弘控股股份有限公司及相關當事人給予紀律處分的決定) (the “**SZSE Decision**”) was issued by the Shenzhen Stock Exchange on 4 September 2018.

Pursuant to the SZSE Decision, the Shenzhen Stock Exchange imposed (i) a public sanction on Zhonghong Holdings; (ii) a public sanction on each of the then actual controller, chairman of the board of directors, and director and chief financial officer of Zhonghong Holdings; and (iii) a notice of criticism on certain then directors and supervisors of Zhonghong Holdings, in which Mr. Zhou was not involved. To the best knowledge, information and belief of the Board, Mr. Zhou was not involved in the day-to-day management of Zhonghong Holdings at the material time, and, save as disclosed above, Mr. Zhou has not been subject to any sanction, administrative penalty or criticism by the Shenzhen Stock Exchange and the CSRC. For further details, please refer to the announcement of the Company dated 23 October 2019.

An announcement was made by Kunwu Holdings on 25 September 2021 in relation to, among other things, the receipt of a decision on administrative supervision measures (中國證券監督管理委員會江西監管局行政監管措施決定書) (the “**Decision**”) from Jiangxi Regulatory Bureau of CSRC by Kunwu Holdings and the secretary to the board of directors of Kunwu Holdings.

Pursuant to the Decision, investigations had been carried out and there was an incident of irregularity on the part of Kunwu Holdings.

To the Directors' best knowledge, information and belief, Mr. Zhou is not involved in the day-to-day management of Kunwu Holdings, and has not been subject to any sanction, administrative penalty or criticism by the CSRC and the Shanghai Stock Exchange. For further details, please refer to the announcement of the Company dated 7 October 2021.

BOARD OF DIRECTORS *(Continued)***Independent Non-executive Directors** *(Continued)*

Mr. Tian Hong (“**Mr. Tian**”), aged 60, joined the Company on 4 July 2017 and is now an independent non-executive Director and member of each of the Audit Committee, Nomination Committee and Remuneration Committee. Mr. Tian has been the chief investment advisor of 至正實業有限公司 (Windus Enterprises Inc.*) since 2016. Mr. Tian obtained a master’s degree in business administration from 山西財經大學 (Shanxi University of Finance and Economics) in 2009 and qualified as senior economist of The Bank of China in 1998. Mr. Tian worked for Industrial and Commercial Bank of China from 1984 to 1989. From 1990 to 2015, Mr. Tian worked for The Bank of China as operation deputy president, president, department head, and other senior management positions in charge of corporate finance, retail finance, investment banking, financial market and other core banking businesses.

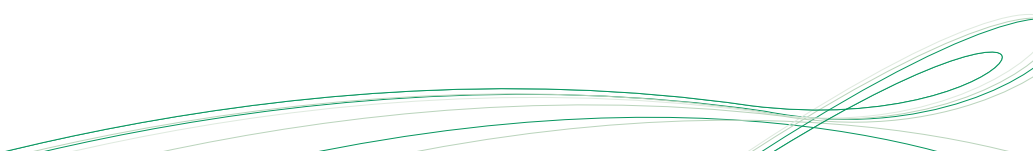
Mr. Tian is also an independent non-executive director of Green Leader since 10 August 2020, the shares of which are listed on the Main Board (stock code: 61) of the Stock Exchange.

COMPANY SECRETARY

Ms. Lui Mei Ka (“**Ms. Lui**”), graduating from The Chinese University of Hong Kong with a degree in bachelor of business administration, is a member of the Hong Kong Institute of Certified Public Accountants. Ms. Lui currently serves as the managing director of Merit Corporate Services Company Limited. Ms. Lui has been an independent non-executive director of China Tangshang Holdings Limited (stock code: 674), GoFintech Innovation Limited (stock code: 290) and China Tontine Wines Group Limited (stock code: 389), which are listed on the Main Board of the Stock Exchange, since 21 April 2017, 19 September 2023 and 30 September 2024, respectively.

Ms. Lui has over 17 years of experience in financial management and corporate finance. From October 2016 to July 2018, she was the chief financial officer and company secretary of GR Life Style Company Limited (formerly known as GR Properties Limited) (stock code: 108), a company listed on the Main Board of the Stock Exchange, which is engaged in property development and investment. From March 2014 to May 2016, she was the company secretary and financial controller of LT Commercial Real Estate Limited, a company previously listed on the Main Board of the Stock Exchange under the stock code 112, which was engaged in property development and investment.

* For identification purpose only



CORPORATE GOVERNANCE REPORT

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving and maintaining high standards of corporate governance, as the Board believes that good and effective corporate governance practices are key to obtaining and maintaining the trust of the Shareholders and other stakeholders, and are essential for encouraging accountability and transparency so as to sustain the success of the Group and to create long-term value for the Shareholders.

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules. Save for code provisions C.2.1 of the CG Code, the Company has fully complied with the CG Code during the Year.

Pursuant to code provision C.2.1 of the CG Code, 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.

As Mr. Zhang Sanhuo was the chairman (the “**Chairman**”) and the chief executive officer (the “**Chief Executive Officer**”) of the Company during the Year, his appointment as both the Chairman and Chief Executive Officer deviates from code provision C.2.1 of the CG Code. The positions of the Chairman and Chief Executive Officer were held by Mr. Zhang Sanhuo who has extensive knowledge about the management. The Company believes that this structure is conducive to strong and consistent leadership, enabling the Company to formulate and implement strategies efficiently and effectively. Under the supervision of the Board and its independent non-executive Directors, a balancing mechanism exists so that the interests of the Shareholders are adequately and fairly represented. The Company considers that there is no imminent need to change this structure.

1. BOARD OF DIRECTORS

The Board comprises the following Directors:

Executive Directors:

Mr. Zhang Sanhuo (*Chairman and Chief Executive Officer*)
(resigned with effect from 3 October 2025)

Ms. An Juan

Mr. Wong Shoulei (appointed on 3 March 2025)

Mr. Yu Wei (*Chairman and Chief Executive Officer*)
(appointed on 3 October 2025)

Independent Non-executive Directors:

Mr. So Stephen Hon Cheung

Mr. Zhou Chunsheng

Mr. Tian Hong

The biographical information of the Directors is set out in the section headed “Directors’ and Senior Management’s Biographies” on pages 11 to 15 of this annual report.

There is no relationship (including financial, business, family or other materials/relevant relationship(s)) between the Board members.

Attendance Record of Directors and Committee Members

The attendance record of each Director at meetings of the Board and the Board committees and the general meeting of the Company held during the Year is set out in the table below:

Number of meetings attended/total number of meetings held					2024
Name of Director	Board	Remuneration Committee	Audit Committee	Nomination Committee	Annual General Meeting
Executive Directors					
Mr. Zhang Sanhuo	9/9	2/2	–	2/2	1/1
Ms. An Juan	9/9	–	–	–	1/1
Mr. Wang Shoulei	3/3	–	–	–	–
Mr. Yu Wei*	–	–	–	–	–
Independent Non-executive Directors					
Mr. So Stephen Hon Cheung	9/9	2/2	3/3	2/2	1/1
Mr. Zhou Chunsheng	9/9	2/2	3/3	2/2	1/1
Mr. Tian Hong	9/9	2/2	3/3	2/2	1/1

* Mr. Yu Wei was appointed as an executive Director with effect on 3 October 2025.

Apart from regular Board meetings, the Chairman also held a meeting with all the non-executive Directors (including independent non-executive Directors) without the presence of any other executive Director during the Year.

CORPORATE GOVERNANCE REPORT

1. **BOARD OF DIRECTORS** *(Continued)*

a. **Chairman and Chief Executive Officer**

Pursuant to the code provision C.2.1 of the CG Code, 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.

As Mr. Zhang Sanhuo was both the Chairman and the Chief Executive Officer with effect from 3 January 2018, and Mr. Yu became the Chairman and the Chief Executive Officer since 3 October 2025, it constituted a deviation from code provision C.2.1 of the CG Code since 3 January 2018. The positions of the Chairman and Chief Executive Officer are held by Mr. Yu Wei (previously Mr. Zhang Sanhuo) who has extensive knowledge about the management. The Company believes that this structure is conducive to strong and consistent leadership, enabling the Company to formulate and implement strategies efficiently and effectively. Under the supervision of the Board and its independent non-executive Directors, a balancing mechanism exists so that the interests of the Shareholders are adequately and fairly represented. The Company considers that there is no imminent need to change this structure.

b. **Independent Non-executive Directors**

During the Year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. Mr. So has served as an independent non-executive Director for more than nine years. Pursuant to code provision B.2.3 of the CG Code, his further appointment shall be subject to a separate resolution to be approved by the Shareholders. The Board considered that Mr. So has exercised judgment in the best interest of the Company when discharging his duties as an independent non-executive Director. Despite the length of his service, there is no evidence that the independence of Mr. So, especially in terms of exercising independent judgment and objective challenges to the management, has been or will be in any way compromised or affected. Mr. So has also provided an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board is therefore satisfied that Mr. So meets the independence guidelines set out in Rule 3.13 of the Listing Rules and continues to be independent. The Company considers that all independent non-executive Directors are independent.

1. **BOARD OF DIRECTORS** *(Continued)*

c. **Company Secretary**

Ms. Lui Mei Ka has been appointed as the company secretary of the Company (the “**Company Secretary**”) on 19 March 2025. Please see the section headed “Directors and Senior Management Biographies – Company Secretary” in this annual report for the biography of Ms. Lui. Ms. Lui is an external service provider whose primary contact person in the Group is Mr. Wang Shoulei, the executive Director.

The Company Secretary reports to the Chairman and is responsible for advising the Board on corporate governance matters. During the Year, the Company Secretary had complied with the professional training requirements under the Rule 3.29 of the Listing Rules.

d. **Appointment, Re-election and Removal of Directors**

A Director may be appointed either by the Shareholders in a general meeting or by the Board upon the recommendation from the Nomination Committee. The Nomination Committee will take into consideration criteria such as expertise, experience, integrity and commitment in appointment of new Directors. All candidates must also meet the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as independent non-executive Director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules.

During the Year, the Company had complied with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules regarding the appointment of a sufficient number of independent non-executive Directors and at least one of the independent non-executive Directors must have appropriate professional qualifications or accounting or related financial management expertise.

All Directors, including the independent non-executive Directors, are appointed for a fixed term of two years. Under code provision B.2.2 of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Under Bye-laws 111 and 115, one-third of the Directors, are subject to retirement by rotation and re-election at annual general meeting of the Company. New Directors appointed by the Board to fill a casual vacancy or as an addition to the Board during any year are required to retire and submit themselves for re-election at the first annual general meeting immediately following their appointments.

CORPORATE GOVERNANCE REPORT

1. BOARD OF DIRECTORS *(Continued)*

e. Distinctive Roles of the Board and the Management

The Board is collectively responsible for long-term success of the Group and interests of Shareholders. Under the leadership of the Chairman, the Board proactively promotes the success of the Group by directing and supervising its affairs in a responsible and effective manner. The principal responsibilities of the Board include the following:

- (i) formulation of the Group's mission, vision and core values and promotion of the Group's corporate culture;
- (ii) formulation, updating and refining of the Group's strategy and business objectives;
- (iii) review and approval of the Group's business plan, major acquisitions and disposals; and
- (iv) review of the policies and monitoring the implementations in relation to corporate governance, internal controls, risk management and sustainability practices.

The executive Directors are involved in the day-to-day operations of the Group's businesses and together with the members of the Company's senior management, ensures that the management is accountable to the Board, and ultimately to the Shareholders. The principal responsibilities of the senior management include the following:

- (i) running of day-to-day management of the Group's businesses operation;
- (ii) implementation of the Group's business plans and strategies;
- (iii) design, implementation and maintenance of appropriate and effective risk management and internal control systems; and
- (iv) monitoring and assessment of the performance of each business team of the Group.

1. **BOARD OF DIRECTORS** *(Continued)*

f. **Delegation by the Board**

While at all times the Board retains full responsibility for guiding and monitoring the management and operations of the Group, in discharging its duties, certain responsibilities are delegated to:

- (i) the standing Board committees of the Company namely: the Audit Committee, the Nomination Committee and the Remuneration Committee. Each Board committee's constitution, powers and duties are clearly defined by its terms of reference, and the Board committees are accountable to the Board;
- (ii) the Chief Executive Officer, being delegated with the day-to-day management of the businesses of the Group, is accountable to the Board; and
- (iii) the senior management team of the Group, being delegated with the responsibilities to deal with daily operational functions, is answerable to the Board.

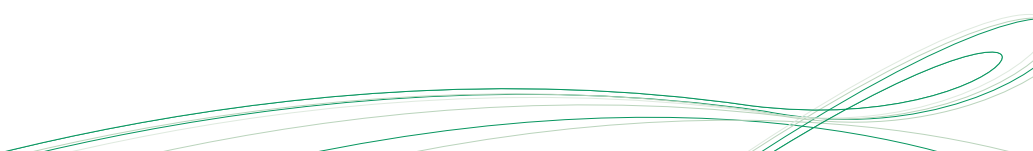
The Board regularly reviews its arrangement for delegation of authority to ensure that such delegation is appropriate in view of the Group's prevailing circumstances and that appropriate reporting systems are in place.

g. **Corporate Governance Functions**

The Board is responsible for performing the corporate governance functions, which includes:

- (i) formulating and reviewing the Group's policies and practices on corporate governance;
- (ii) reviewing and monitoring the training and continuous professional development of the Directors and the senior management;
- (iii) reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements;
- (iv) formulating, reviewing and monitoring the code of conduct, guidelines and compliance manual applicable to employees and Directors; and
- (v) reviewing the Group's compliance with the CG Code and disclosures in this corporate governance report.

The Board has delegated its responsibilities of performing corporate governance duties to the Audit Committee. The Audit Committee reviews the Group's policies and practices on corporate governance, reports and makes recommendations to the Board regarding matters set out in the code provisions.



CORPORATE GOVERNANCE REPORT

1. BOARD OF DIRECTORS *(Continued)*

h. Board Diversity

Pursuant to the CG Code, the Board has adopted a board diversity policy which was revised in June 2023 (the “**Board Diversity Policy**”). The Company recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The Nomination Committee will discuss annually for achieving diversity from a number of aspects, including but not limited to gender, age, ethnicity, skills, cultural and educational background, professional experience and knowledge. The Nomination Committee will also conduct a review of the policy periodically which will include an assessment of the effectiveness of the policy and recommend any proposed changes to rectify identified deficiencies for the approval by the Board. The Board has reviewed the implementation and effectiveness of the Board Diversity Policy for the Year and considered it to be effective.

i. Gender Diversity

The Company aims to avoid a single gender Board and will review the gender diversity of the Board from time to time in accordance with the business development of the Group. The Company believes the gender diversity of the Board would enhance the business development of the Group and bring more inspiration to the Board, hence gender diversity is one of the essential factors for the Company to select suitable candidate as a Director. The Board currently consists of five male Directors and one female Director. On 27 June 2024, the Company had appointed Ms. An Juan as the executive Director. On 30 June 2025, the Company appointed Ms. An Juan as a member of the Nomination Committee.

The gender ratio in the workforce of the Group (including senior management) for the Year was approximately 79% male and approximately 21% female (2024: approximately 67% male and approximately 33% female). The Group encourages gender diversity across its workplace. To achieve diversity at workforce level, the Group has put in place appropriate recruitment and selection practices such that a diverse range of candidates are considered.

1. **BOARD OF DIRECTORS** *(Continued)*

j. **Board Independence**

The Company has established mechanisms to ensure independent views and input are available to the Board and conducted review of such mechanisms on an annual basis. All Directors are entitled to seek, at the Company's expense, independent professional advice reasonably necessary for discharging their duties as Directors.

The Nomination Committee annually assesses the independence of independent non-executive Directors during their term of services. The Company received from each of the independent non-executive Directors a written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. Based on such confirmations and the opinion of the Nomination Committee, the Company considers that all independent non-executive Directors continue to demonstrate strong independence and all remain independent.

The Board has reviewed the implementation and effectiveness of the mechanisms and considered them to be effective for the Year.

k. **Directors' and Officers' Insurance**

The Company has arranged appropriate insurance cover in respect of potential legal actions against the Directors and officers of the Company.

l. **Continuous Professional Development**

Every newly appointed Director will receive formal, comprehensive and tailored induction on the first occasion of his appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for the Directors will be arranged where necessary.

Directors are requested to provide the Company with their respective training record pursuant to code provision C.1.4 of the CG Code. According to the records maintained by the Company, during the Year, each of the Directors namely, Mr. Zhang Sanhuo, Ms. An Juan, Mr. Wang Shoulei, Mr. So Stephen Hon Cheung, Mr. Zhou Chunsheng and Mr. Tian Hong participated in continuous professional development by (i) attending external seminars, training courses, conferences and programs; or (ii) reading relevant materials and updates, relating to corporate governance practices, directors' duties, Listing Rules, relevant laws and regulations, and business development of the IT industry. The Company Secretary has taken not less than 15 hours of relevant professional training.

CORPORATE GOVERNANCE REPORT

1. BOARD OF DIRECTORS *(Continued)*

m. Directors' Securities Transactions

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules. Having made specific enquiry of all Directors by the Company, all Directors confirmed that they had complied with the required standards set out in the Model Code and its code of conduct regarding directors' securities transactions during the Year.

Pursuant to paragraph A.3 of Appendix C3 to the Listing Rules, the Directors are prohibited from dealing in any securities of the Company on any day on which its financial results are published and during the period of 60 days immediately preceding the publication date of the annual results.

The Company has also established written guidelines on terms no less exacting than the Model Code for securities transactions by employees (the “**Employees Written Guidelines**”) who are likely to be in possession of inside information of the Company.

No incident of non-compliance with the Employees Written Guidelines by the employees was noted by the Board.

2. BOARD COMMITTEES

The Board has established three committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the respective websites of the Company and the Stock Exchange and are available to the Shareholders upon request.

The majority of the members of each Board committee are independent non-executive Directors and the list of the chairman and members of each Board committee is set out under “Corporate Information” on page 3 of this annual report.

a. Audit Committee

During the Year, the audit committee of the Company (the “**Audit Committee**”) consisted of three independent non-executive Directors, namely, Mr. So Stephen Hon Cheung (chairman of the committee), Mr. Zhou Chunsheng and Mr. Tian Hong.

The Audit Committee was established with written terms of reference that sets out the authorities and duties of the Audit Committee adopted by the Board. The functions of risk management, internal control and corporate governance were adopted into the terms of reference of Audit Committee in compliance with the Listing Rules.

2. BOARD COMMITTEES *(Continued)*

a. Audit Committee *(Continued)*

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, internal control procedures, risk management system, audit plan and relationship with external auditors, and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

During the Year, the Audit Committee held three meetings to review the annual financial results and report in respect of the Year, the interim results and report for the six months ended 31 December 2024 and significant issues on the financial reporting and compliance procedures, internal control and risk management systems, effectiveness of the internal audit function, scope of work and appointment of external auditor, and arrangements for employees to raise concerns about possible improprieties. The Audit Committee also met with the Company's auditors twice during the Year for the purpose of reviewing the Company's financial reports and accounts.

b. Remuneration Committee

During the Year, the Remuneration Committee consisted of one executive Director, namely Mr. Zhang Sanhuo and three independent non-executive Directors, namely, Mr. So Stephen Hon Cheung (chairman of the committee), Mr. Zhou Chunsheng and Mr. Tian Hong.

The main functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual executive Directors and senior management, the remuneration policy and structure for all Directors and senior management; establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration; and reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

During the Year, the Remuneration Committee met twice to review and make recommendation to the Board on the remuneration policy and structure of the Company, and the remuneration packages of the executive Director and senior management and other related matters.

Details of the remuneration of each Director for the Year are set out in Note 11 to the financial statements.

CORPORATE GOVERNANCE REPORT

2. **BOARD COMMITTEES** *(Continued)*

c. **Nomination Committee**

During the Year, the Nomination Committee consisted of two executive Directors, namely Mr. Zhang Sanhuo (chairman of the committee) and Ms. An Juan and three independent non-executive Directors, namely, Mr. So Stephen Hon Cheung, Mr. Zhou Chunsheng and Mr. Tian Hong.

The main duties of the Nomination Committee include reviewing the Board's composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, to assess each director's time commitment and contribution to the board, as well as the director's ability to discharge his or her responsibilities effectively, to support the Company's regular evaluation of the board's performance and assessing the independence of independent non-executive Directors.

During the Year, the Nomination Committee met twice to review the structure, size and composition of the Board and the independence of the independent non-executive Directors, and to consider the qualifications of the retiring Directors standing for re-election at the relevant annual general meeting. Additional meetings may be held as and when required.

3. **AUDIT, INTERNAL CONTROL AND RISK MANAGEMENT**

a. **Financial Reporting**

The Board is responsible for the preparation of the financial statements with the assistance of the accounting team in accordance with statutory requirements and appropriate financial reporting standards for each financial period, which shall give a true and fair view of the consolidated financial position of the Group and of the consolidated financial performance and cash flows for such financial period. During the Year under review, the Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Company's ability to continue in business. Accordingly, the Board has prepared the financial statements of the Group on a going concern basis. All the Directors acknowledged their responsibility for preparing the financial statements of the Company for the Year.

The statement of the external auditor of the Company about the auditor's reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 47 to 49 of this annual report.

b. **Risk Management and Internal Control**

The Board has overall responsibility for the system of risk management and internal control of the Company and for reviewing its effectiveness through the Audit Committee. Such system is aimed at providing reasonable but not absolute assurance against material misstatement, loss or fraud. The Board has delegated to the management the design, implementation and ongoing assessment of such internal control systems, while the Board through the Audit Committee oversees and reviews the adequacy and effectiveness of relevant internal controls and risk management procedures that have been in place.

3. **AUDIT, INTERNAL CONTROL AND RISK MANAGEMENT** *(Continued)*

b. Risk Management and Internal Control *(Continued)*

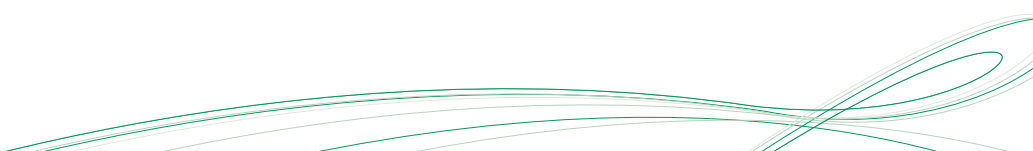
The Board is committed to the management, identification and monitoring of risks (including risks related to environmental, social and governance) associated with its business activities and has implemented an effective and sound risk management and internal controls systems to manage the risk associated with its businesses and operations. The systems comprise the following phases:

- (i) Identification: identify sources of risks, business objectives and risks that could affect the achievement of objectives
- (ii) Evaluation: analyse and evaluate the likelihood and impact of risks
- (iii) Management: consider the risk responses and ensure effective communication to the Board and ongoing monitoring of the residual risks

The Group has established comprehensive policies, procedures and measures in areas of operational, financial, compliance and risk controls, which are updated or reviewed on a regular and timely basis, including the following:

(i) Inside Information Policy

Inside information policy of the Company has been formulated to regulate the handling and dissemination of inside information in order to ensure potential inside information being captured and confidentiality of such information being maintained until consistent and timely disclosure are made in accordance with the Listing Rules. The procedures regulate the handling and dissemination of inside information including:

- designated reporting channels for reporting potential inside information;
 - restriction on access of information;
 - signing of confidentiality agreements when necessary; and
 - close monitoring of potential inside information by the management and proper disclosure made timely to ensure compliance with the Listing Rules when necessary.
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CORPORATE GOVERNANCE REPORT

3. AUDIT, INTERNAL CONTROL AND RISK MANAGEMENT *(Continued)*

b. Risk Management and Internal Control *(Continued)*

(ii) **Whistleblowing Policy**

Whistleblowing policy of the Company has been formulated for the Group's employees and business partners to report any suspected or actual improprieties. An email account has been set up for this specific purpose. The Audit Committee will investigate the reported cases in a confidential and timely manner and report the results of investigations with appropriate follow-up action to the Board.

(iii) **Anti-Corruption Policy**

Anti-corruption policy of the Company has been formulated to safeguard against corruption and bribery. The Group has established reporting channels that are open and available for employees and business partners of the Group to report any suspected corruption and bribery. The Audit Committee is responsible for investigating the reported incidents and taking appropriate measures.

(iv) **Regular Reports and Meetings**

Monthly management and financial reports of the Group's business teams are prepared for the Board's review. Executive Directors hold periodic meetings with senior finance and operational management teams to review and discuss the business performance, and to address deficiencies of any key issues on a timely basis.

(v) **Operation/Compliance Guidelines**

All major operations are governed by standard operating procedures/compliance manuals with authorization matrix and supplemented by written policies and procedures tailored to the respective business units and support functions.

Review and assessment of risk management and internal control systems during the Year under review were performed by:

(i) **Management**

The management, responsible for the design, implementation and ongoing assessment of risk management and internal control systems, reported and confirmed to the Board and the Audit Committee on the effectiveness of such systems. The Board through the management had conducted an annual review of the risk management and internal control systems of the Group under the code provision D.2.1 of the CG Code.

(ii) **Audit Committee**

The Audit Committee reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions, under the code provision D.2.2 of the CG Code.

3. AUDIT, INTERNAL CONTROL AND RISK MANAGEMENT *(Continued)*

b. Risk Management and Internal Control *(Continued)*

(iii) **External Auditor**

The Group's external auditor performs independent statutory audits of the Group's consolidated financial statements. The external auditor also reports to the Audit Committee any significant weaknesses in the Group's internal control, if any, identified during the course of the audit. No significant weaknesses in the Group's internal control systems were reported from the external auditor.

Based on the reports prepared by management, and also taking into account the results of the audit conducted by the external auditors, the Audit Committee and the Board considered that for the Year under review:

- (i) the risk management, internal controls and accounting systems of the Group are designed to provide reasonable but not absolute assurance that material assets are protected, business risks attributable to the Group are identified and monitored, material transactions are executed in accordance with management's authorization and the financial statements are reliable for publication;
- (ii) the risk management and internal controls systems of the Group have been effectively implemented;
- (iii) there is an effective on-going process in place for identifying, evaluating and managing significant potential risks faced by the Group; and
- (iv) the resources, staff qualifications and experience, training programs and budget of the Group's accounting and financial reporting and internal audit functions, as well as environmental, social and governance performance and reporting, are adequate.

c. **Auditor's Remuneration**

The fees paid/payable to the external auditors for audit and non-audit services for the Year (and the comparative figures for the year ended 30 June 2024) are as follows:

	2025 HK\$'000	2024 HK\$'000
Audit services	900	850
Non-audit services	50	–
	950	850

CORPORATE GOVERNANCE REPORT

4. SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the election of individual Directors. All resolutions put forward at general meetings are voted by poll pursuant to the Listing Rules and poll results are posted on the respective websites of the Company and the Stock Exchange after each general meeting.

a. Convening a Special General Meeting by Shareholders

- (i) Shareholders holding not less than one-tenth of the paid-up capital of the Company as at the date of the deposit of the requisition carrying the right of voting at general meetings of the Company may by written requisition to the Directors or the Company Secretary to require a special general meeting to be called by the Board.
- (ii) The requisition must state the purposes of the meeting, and must be signed by the requisitionist(s) and may consist of several documents in like form, each signed by one or more requisitionist(s).
- (iii) The signature(s) and the requisition will be verified by the Company's share registrars. The Board will proceed to convene a special general meeting for the transaction of any business specified in the requisition within 21 days from the date of deposit of such requisition if it has been validly raised.
- (iv) If the Board does not within 21 days from the date of the deposit of a valid requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date. A meeting convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board.

b. Putting Forward Proposals at General Meetings

- (i) On the requisition in writing of (a) either any number of Shareholders representing not less than one-twentieth of the total voting rights of all the Shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates, or (b) not less than 100 Shareholders, the Company shall be under a duty to:
 - (1) give to the Shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and

4. **SHAREHOLDERS' RIGHTS** *(Continued)*

b. Putting Forward Proposals at General Meetings *(Continued)*

- (2) circulate to the Shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.
- (ii) The requisition must be signed by the requisitionists and deposited at the registered office of the Company at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda for the attention of the Board and
 - (1) in the case of requisition requiring notice of a resolution, not less than six weeks before the meeting; and in the case of any other requisition, not less than one week before the meeting.
 - (2) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.
- (iii) The signatures and the requisition will be verified by the Company's share registrars. Upon confirming that the requisition is proper and in order, notice of any such intended resolution shall be given, and any such statement shall be circulated, to the Shareholders entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on each of such Shareholders in any manner permitted for service of notice of the meeting, and notice of any such resolution shall be given to any other Shareholders by giving notice of the general effect of the resolution in any manner permitted for giving him/her/it notice of meetings of the Company, provided that the copy shall be served, or notice of the effect of the resolution shall be given, as the case may be, in the same manner and, so far as practicable, at the same time as notice of the meeting and, where it is not practicable for it to be served or given at that time, it shall be served or given.

c. Putting Forward Enquiries to the Board

The Shareholders may send their enquiries and concerns to the Board by addressing them to the investor relations manager and deposit at the Company's principal place of business in Hong Kong or by e-mail to info@1079.hk.

Note: The Company will not normally deal with verbal or anonymous enquiries.

CORPORATE GOVERNANCE REPORT

5. COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings.

The Company endeavors to maintain a high level of transparency in communicating with the Shareholders and investors of the Company. The Company's policy of shareholder's communication is aiming at providing the Shareholders and potential investors of the Company with ready and timely access to balanced and understandable information of the Company.

The Board and the Company maintain an on-going dialogue with the Shareholders and the investment community mainly through the Company's financial reports, annual general meetings and other general meetings that may be convened, as well as by making available all the disclosures submitted to the Stock Exchange and its corporate communications and other corporate publications on the Company's website.

The Shareholders should direct their questions about their shareholdings to the Company's branch share registrar and transfer office in Hong Kong. The Shareholders may at any time make a request for the Company's information to the extent such information is publicly available. The Shareholders may also make enquiries to the Board by writing to the Company Secretary at the Company's principal place of business in Hong Kong.

6. CONSTITUTIONAL DOCUMENTS

Amendments of Memorandum of Association and Bye-laws

During the Year, the Company has not made any changes to its memorandum of association and bye-laws. The latest version of the Company's memorandum of association and bye-laws are available on the respective websites of the Company and the Stock Exchange.

DIRECTORS' REPORT

The Directors have pleasure in presenting their annual report and the audited consolidated financial statements of the Company for the Year.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in Note 26 to the consolidated financial statements.

FINANCIAL RESULTS

The results of the Group for the Year and the state of affairs of the Company and the Group as at 30 June 2025 are set out on pages 50 to 105 of this annual report.

FIVE YEARS FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the past five financial years is set out on page 106 of this annual report.

BUSINESS REVIEW

An analysis of the Group's performance for the Year by operating segment is set out in Note 6 to the consolidated financial statements.

A fair review of the business of the Group as well as discussion and analysis of the Group's performance during the Year and the material factors underlying its financial performance and financial position can be found in the "Chairman's Statement" and "Management Discussion and Analysis" set out on pages 4 to 5 and pages 6 to 10 of this annual report respectively.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group believes that there are certain risks and uncertainties involved in the operations, some of which are beyond the Group's control. Some of the major risks include:

- (i) the Group may not be able to sustain growth rate and profit margin similar to those we achieved in the past, or maintain the same cash flow position or financial performance in the future;
- (ii) the Group's business relies on successful tenders that determine the award of our projects contracts and is non-recurring in nature;
- (iii) the Group makes estimation of the project costs in the tenders and quotations and any failure to accurately estimate the costs involved and/or delay in completion of any project may lead to cost overruns or even result in losses;
- (iv) the Group is exposed to customers' credit risks and the Group's liquidity position may be adversely affected if the customers fail to make payment on time or in full;
- (v) the Group's performance depends on trends and developments in the consumer electronics industry and computer software and system development industry in the PRC; and
- (vi) the Group's performance depends on market conditions and the general economic and political conditions in the PRC.

DIRECTORS' REPORT

PRINCIPAL RISKS AND UNCERTAINTIES *(Continued)*

The Group is not aware of any other particular or essential event that has occurred which would trigger a risk and uncertainty as at 30 June 2025.

Certain financial risk and uncertainties are also set out in Note 5 to the consolidated financial statements in this annual report.

DIVIDEND POLICY

The Board has approved and adopted a dividend policy with effect from 5 July 2019 (the “**Dividend Policy**”). The payment of dividend is subject to the compliance with related laws and regulations, including the laws of Bermuda, Company’s Bye-laws, the Listing Rules, and the financial reporting standards that the Group has adopted. The Board will continually review the Dividend Policy from time to time and reserves the right to amend or modify the Dividend Policy as and when the Board may deem necessary. There can be no assurance that dividends will be paid in any particular amount for any given period.

The Company intends to create long term value for the Shareholders through maintaining a balance between dividend distribution, preserving adequate liquidity and reserve to meet its working capital requirements and capturing future growth opportunities. When considering the declaration and payment of dividends, the Board shall take into account the following factors of the Group:

- the Group’s overall results of operation, financial condition, expected working capital requirements and capital expenditure requirements, liquidity position and future expansions plans;
- the amount of retained profits and distributable reserves of the Company;
- general economic conditions, business cycle of the Group’s business and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- any other factors that the Board deems relevant.

Depending on the conditions and factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period as:

1. interim dividend;
2. final dividend;
3. special dividend; and
4. any distribution of net profits that the Board may deem appropriate.

DIVIDEND POLICY *(Continued)*

Any final dividend for a financial year will be subject to the Shareholders' approval. The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate. Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance to the Bye-laws.

The Company does not have any pre-determined dividend distribution ratio and the Company's dividend distribution record in the past, if any, may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in future. The Dividend Policy shall in no way constitute a legally binding commitment by the Group in respect of its future dividend and/or in no way obligate the Group to declare a dividend at any time or from time to time.

FINAL DIVIDENDS

The Board does not recommend the payment of a final dividend for the Year (2024: Nil) pursuant to the Dividend Policy.

ENVIRONMENTAL POLICIES AND COMPLIANCE WITH LAWS AND REGULATIONS

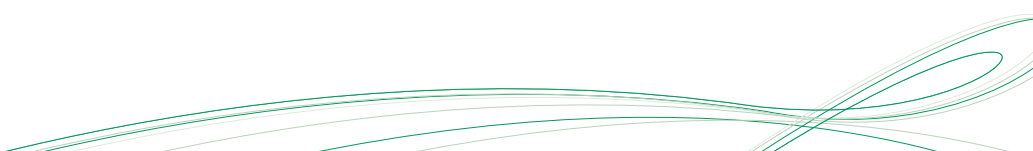
As a responsible corporation, the Group is committed to maintaining higher environmental and social standards to ensure sustainable development of its business. The Group has complied with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment. The Group understands a better future depends on everyone's participation and contribution. It has encouraged employees, customers, suppliers and other stakeholders to participate in environmental and social activities which benefit the community as a whole. The Group maintains strong relationships with its employees, has enhanced cooperation with its suppliers and has provided high quality products and services to its customers so as to ensure sustainable development.

The environmental, social and governance report conducted by an independent professional third party for the Year will be published separately on the website of the Company and the website of the Stock Exchange.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board is aware, the Group has complied with the relevant laws and regulations in material respects that have a significant impact on the business and operation of the Group.

During the Year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.



DIRECTORS' REPORT

RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group understands the importance of maintaining a good relationship with its suppliers, customers and other stakeholders to meet its immediate and long-term goals.

During the Year, there was no material and significant dispute between the Group and its suppliers, customers and/or other stakeholders.

PERMITTED INDEMNITY PROVISION

The Bye-law 194 provides that the Directors shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their offices, provided that this indemnity shall not extend to any matter incur or sustain through their own fraud or dishonesty. A Directors' liability insurance is in place to protect the Directors against potential costs and liabilities arising from claims brought against the Directors.

DONATIONS

During the Year, the Group did not make any charitable donations (2024: Nil).

CONNECTED AND RELATED PARTY TRANSACTIONS

Save as disclosed in this annual report, during the Year, the Company had no connected transactions or continuing connected transactions which fell to be disclosed in accordance with the provisions under Chapter 14A of the Listing Rules in relation to the disclosure of connected transactions and continuing connected transactions. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in Note 14 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the top five suppliers of the Group together accounted for approximately 58% of the Group's total purchases and the largest supplier accounted for approximately 14% of the Group's total purchases.

For the Year, the top five customers of the Group together accounted for approximately 44% of the Group's total sales and the largest customers accounted for approximately 17% of the Group's total sales.

None of the Directors, their respective close associates or any Shareholder who owns more than 5% of the issued share capital (excluding treasury shares) of the Company had any interests in the Group's five largest customers and suppliers during the Year.

SHARE CAPITAL AND SHARE OPTION SCHEMES

Details of the Company's share capital and share option schemes are set out in Notes 23 and 24 to the consolidated financial statements, respectively.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the Directors' knowledge as at the date of this report, the Company has maintained a sufficient public float throughout the Year and as at the date of this report.

DISTRIBUTABLE RESERVES OF THE COMPANY

Details of the movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 54 of this annual report and the Company's reserves available for distribution to Shareholders as at 30 June 2025 were as follows:

	2025 HK\$'000	2024 HK\$'000
Contributed surplus	70,189	70,189
Accumulated losses	(618,651)	(593,846)
	(548,462)	(523,657)

Under the Companies Act 1981 at Bermuda (as amended), the contributed surplus account of a company is available for distribution.

However, a company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

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

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

EXERCISE OF CONVERSION OR SUBSCRIPTION RIGHTS

During the Year, there was no exercise of conversion or subscription rights under any convertible securities, options, warrants or similar rights issued or granted at any time by the Company or any of its subsidiaries.

DIRECTORS' REPORT

DIRECTORS

The Directors during the Year and up to the latest practicable date prior to the issue of this annual report are:

Executive Directors:

Mr. Zhang Sanhuo – *Chairman and Chief Executive Officer*
(resigned with effect from 3 October 2025)

Ms. An Juan

Mr. Wang Shoulei (appointed on 3 March 2025)

Mr. Yu Wei – *Chairman and Chief Executive Officer*
(appointed on 3 October 2025)

Independent Non-executive Directors:

Mr. So Stephen Hon Cheung

Mr. Zhou Chunsheng

Mr. Tian Hong

Each of Ms. An Juan (appointed on 27 June 2024), Mr. Wang Shoulei (appointed on 3 March 2025) and Mr. Yu Wei (appointed on 3 October 2025) obtained the legal advice as regards the requirements under the Listing Rules that are applicable to him/her as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange as described in Rule 3.09D of the Listing Rules on 16 June 2024, 27 February 2025 and 3 October 2025 respectively. Each of Ms. An Juan and Mr. Wang Shoulei has confirmed that he/she understood his/her responsibilities as a director of a listed issuer.

Bye-law 111 provides that one-third of the Directors, shall retire from office by rotation at each annual general meeting. Bye-law 115 provides that new Directors appointed by the Board to fill a casual vacancy or as an additional Director during any year are required to retire and submit themselves for re-election at the first annual general meeting immediately following their appointments. At the forthcoming 2025 annual general meeting, each of Mr. Yu Wei, Mr. Wang Shoulei, Mr. So Stephen Hon Cheung and Mr Tian Hong will retire from office and, being eligible, shall offer themselves for re-election pursuant to Bye-law 111 or 115.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Board on the basis of their merit, qualifications and competence.

The emoluments of the Directors and senior management of the Company are determined by the Board. The Remuneration Committee reviewed and made recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and senior management, having regard to the Company's operating results, individual performance and comparable market statistics.

As mentioned above, the Company has adopted a share option scheme as an incentive to the Directors and eligible employees.

Details of Directors' emolument and individuals with highest emoluments are set out in Note 11 to the consolidated financial statements.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests and short positions of the Directors and the Company's chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the "**SFO**")) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules were as follows:

Long positions: Ordinary shares of HK\$0.10 each (the "Share(s)") of the Company

Name of Director	Nature of Interest	Number of issued Shares held	Approximate percentage of the issued share capital of the Company
Mr. Zhang Sanhuo	Interest of controlled corporation	454,163,680 (Note 1)	34.23%

Note:

- These Shares are beneficially owned by and registered in the name of Sage Global Holdings Limited ("**Sage Global**"), which is a company incorporated in the British Virgin Islands and its entire issued share capital is wholly and beneficially owned by South Pearl Ventures Limited ("**South Pearl**"), and South Pearl is in turn wholly and beneficially owned by Mr. Zhang Sanhuo, the then executive Director, the chairman (the "**Chairman**") of the Board and the chief executive officer (the "**Chief Executive Officer**") of the Company, who resigned with effect from 3 October 2025.

Long positions in the underlying Shares:

Name of Director	Nature of Interest	Number of underlying Shares held	Approximate percentage of the issued share capital of the Company
Mr. Zhang Sanhuo	Beneficial owner	16,860,000 (Note 1)	1.27%

DIRECTORS' REPORT

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES *(Continued)*

Note:

1. These underlying Shares are held by Mr. Zhang Sanhuo, the then executive Director, the Chairman and the Chief Executive Officer who resigned with effect from 3 October 2025, as share options of the Company which entitle him to subscribe for 6,000,000 Shares at an exercise price of HK\$0.83 per Share and 10,860,000 Shares at an exercise price of HK\$0.46 per Share. The share options of 16,860,000 Shares were surrendered by Mr. Zhang Sanhuo on 30 July 2025.

Save as disclosed above, as at 30 June 2025, none of the Directors or the Company's chief executive or their respective associates, had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTIONS SCHEME

Particulars of the Company's share option schemes (the "**Scheme**") are set out in Note 24 to the consolidated financial statements.

The Scheme was adopted pursuant to the ordinary resolution passed by the Shareholders on 22 November 2013 for the purpose of providing incentives or reward to the Directors, eligible employees or any person who have contributed or may contribute to the Group. The Scheme was amended pursuant to the ordinary resolution passed by the Shareholders on 15 November 2018 and the Directors considered that the amendment to the Scheme is in line with Rule 17.04(1) of the Listing Rules. Please refer to the circular of the Company dated 16 October 2018 and the announcement of the Company dated 15 November 2018 for further information in relation to the amendment to the Scheme. The Scheme expired on the tenth anniversary of the adoption date (i.e. 22 November 2023), and thereafter no further share options could be granted but the provisions of the Scheme shall remain in full force and effect in respect of any share options granted before its expiry or termination but not yet exercised. As such, as at 1 July 2024, the beginning of the Year, and as at 30 June 2025, the end of the Year, no further share options may be granted under the Scheme.

Share options granted must be taken up within 21 days from the date of grant, upon payment of HK\$1 per share option. A share option may be exercised in accordance with the terms of the Scheme at any time during the respective effective period of the Scheme to be notified by the Board which shall not be later than 10 years from the date of grant.

SHARE OPTIONS SCHEME *(Continued)*

As disclosed in the announcement of the Company dated 12 December 2018, there were 80,140,000 share options granted to certain grantees which included the Directors with an exercise price HK\$0.46 per share pursuant to the Scheme. The exercise price of HK\$0.46 per share was the highest of: (i) the closing price of HK\$0.45 per share as quoted in the Stock Exchange's daily quotation sheet on the date of grant; (ii) the average closing price of approximately HK\$0.46 per share as quoted in the Stock Exchange's daily quotation sheets for the 5 business days immediately preceding the date of grant; and (iii) the nominal value of HK\$0.10 per share.

Unless approved by the Shareholders, the total number of Shares issued and to be issued upon exercise of the share options granted to each eligible participant (including both exercised and outstanding share options) in any 12-month period must not exceed 1 per cent of the Shares in issue.

The subscription price shall be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of:

- (1) the closing price of the Shares on the Stock Exchange (as stated in the Stock Exchange's daily quotations sheet) on the Offer Date, which must be a business day;
- (2) the average closing price of the Shares on the Stock Exchange (as stated in the Stock Exchange's daily quotations sheets) for the five business days immediately preceding the offer date; and
- (3) the nominal value of a Share on the offer date.

On 28 November 2019, an ordinary resolution was duly passed by the Shareholders at an annual general meeting of the Company, approving, inter alia, the refreshment of the scheme mandate limit under the Share Option Scheme. Upon the refreshment of the scheme mandate limit and prior to the expiry of the Scheme, the Company was able to grant share options entitling holders thereof to subscribe for up to a maximum number of 132,670,173 Shares, representing approximately 10% of the number of issued Shares as at the date of the annual general meeting held on 28 November 2019. Please refer to the circular of the Company dated 29 October 2019 and the announcement of the Company dated 28 November 2019 for further details of the refreshment of the scheme mandate limit.

DIRECTORS' REPORT

SHARE OPTIONS SCHEME *(Continued)*

Details of the share options outstanding under the Scheme as at 30 June 2025 entitling holders thereof to subscribe for the Shares in the Company are as follows:

Grantee	Position(s) held in the Company	Date of grant	Validity period (both dates inclusive)	Exercisable period (both dates inclusive)	Exercise price HK\$	Number of share options					Balance as at 30 June 2025
						Balance as at 1 July 2024	Granted during the Year	Exercised during the Year	Cancelled during the Year	Lapsed during the Year	
Mr. Zhang Sanhuo	Chairman and Chief Executive Officer (Note 1)	22.9.2017	22.9.2017 to 21.9.2027	33.33% 22.9.2017 to 21.9.2027; 33.33% 22.9.2018 to 21.9.2027; and 33.34% 22.9.2019 to 21.9.2027	0.83	6,000,000	–	–	–	–	6,000,000
		12.12.2018	12.12.2018 to 11.12.2028	50% 12.12.2018 to 11.12.2028; and 50% 12.12.2019 to 11.12.2028	0.46	10,860,000	–	–	–	–	10,860,000
Sub-total						16,860,000	–	–	–	–	16,860,000
Mr. Chan Cheuk Ho	Employee (Note 2)	22.9.2017	22.9.2017 to 21.9.2027	33.33% 22.9.2017 to 21.9.2027; 33.33% 22.9.2018 to 21.9.2027; and 33.34% 22.9.2019 to 21.9.2027	0.83	6,000,000	–	–	–	–	6,000,000
		12.12.2018	12.12.2018 to 11.12.2028	50% 12.12.2018 to 11.12.2028; and 50% 12.12.2019 to 11.12.2028	0.46	13,260,000	–	–	–	–	13,260,000
Sub-total						19,260,000	–	–	–	–	19,260,000

SHARE OPTIONS SCHEME *(Continued)*

Grantee	Position(s) held in the Company	Date of grant	Validity period (both dates inclusive)	Exercisable period (both dates inclusive)	Exercise price HK\$	Number of share options					Balance as at 30 June 2025
						Balance as at 1 July 2024	Granted during the Year	Exercised during the Year	Cancelled during the Year	Lapsed during the Year	
Other grantees	Consultants	12.12.2018	12.12.2018 to 11.12.2028	50% 12.12.2018 to 11.12.2028; and 50% 12.12.2019 to 11.12.2028	0.46	36,520,000	-	-	-	-	36,520,000
Grand total						72,640,000	-	-	-	-	72,640,000

Note:

1. Mr. Zhang Sanhuo resigned as an executive Director, chairman of the Board and chief executive officer of the Company with effect from 3 October 2025.
2. Mr. Chan Cheuk Ho has resigned as an executive Director with effect from 31 May 2022 and resigned as the Company Secretary and authorised representative of the Company with effect from 19 March 2025.

As (i) the Scheme expired on 22 November 2023 and no further share options could be granted under the Scheme thereafter; and (ii) 72,640,000 share options are outstanding as at 30 June 2025, a total of 72,640,000 Shares are available for issue under the Scheme, representing approximately 5.48% of the Company's issued share capital as at the date of this report.

Save as disclosed above, no share option was granted, exercised, cancelled or lapsed under the Scheme during the Year.

During the Year, the Group has not recognised any share-based payment expense in the consolidated statement of profit or loss and other comprehensive income (30 June 2024: Nil).

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

Other than the share option schemes disclosed above, at no time during the Year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

There was no transaction, arrangement or contract of significance, to which the Company or its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisting during or at the end of the Year.

DIRECTORS' REPORT

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors and their respective associates had any competing interests which were required to be disclosed pursuant to Rules 8.10 (2)(b) and (c) of the Listing Rules during the Year.

CONTRACT OF SIGNIFICANCE

At no time during the Year had the Company or any of its subsidiaries entered into any contract of significance with the controlling Shareholder or any of its subsidiaries, nor had any contract of significance been entered into for the services provided by the controlling Shareholder or any of its subsidiaries to the Company or any of its subsidiaries.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

Save as the interests of certain Directors disclosed under the section headed "Directors' and Chief Executive's Interests and Short Position in Shares, Underlying Shares and Debentures", according to the register of interests maintained by the Company pursuant to section 336 of the SFO and as far as the Directors are aware, as at 30 June 2025, the following persons or corporations (other than a Director or chief executive of the Company) had an interest or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any member of the Group or in any options in respect of such capital:

Name of substantial shareholder	Capacity	Number of issued Shares held	Position	Approximate percentage of the issued share capital of the Company
Sage Global	Beneficial owner	454,163,680 (Note 1)	Long	34.23%
South Pearl	Interest of controlled corporation	454,163,680 (Note 1)	Long	34.23%
Ms. Yang Taomei	Beneficial owner	260,000,000	Long	19.60%

Note:

1. Sage Global beneficially owns 454,163,680 Shares. Sage Global is wholly and beneficially owned by South Pearl. South Pearl is in turn wholly and beneficially owned by Mr. Zhang Sanhuo, an executive Director, the Chairman and Chief Executive Officer.

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2025.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

Other than the share options as set out in Note 24 to the consolidated financial statements, the Company had no other outstanding convertible securities, options, warrants or other similar rights as at 30 June 2025.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

REVIEW OF THE FINAL RESULTS BY AUDIT COMMITTEE

The Audit Committee has reviewed with the management and the Company's independent auditor the accounting principles and practices adopted by the Group and has discussed auditing, internal control and financial reporting matters including the review of the consolidated financial statements of the Group for the Year.

INDEPENDENT AUDITOR

The consolidated financial statements for the Year have been audited by ZHONGHUI ANDA CPA Limited, who will retire at the forthcoming annual general meeting. A resolution will be proposed at the forthcoming annual general meeting to re-appoint ZHONGHUI ANDA CPA Limited as auditor of the Company. The Company has not changed its external auditor in any of the preceding three years.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Directors are responsible for preparation of the consolidated financial statements which give a true and fair view in accordance with accounting principles generally accepted in Hong Kong. The statement by the auditor of the Company about their responsibilities for the consolidated financial statements is set out in the Independent Auditor's Report contained in this annual report. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

CHANGE IN HONG KONG SHARE REGISTRAR

With effect from 1 January 2025, the Company's branch share registrar and transfer office in Hong Kong was changed to: Tricor Investor Services Limited 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. For details, please refer to the announcement of the Company dated 19 December 2024.

DIRECTORS' REPORT

EVENT AFTER THE REPORTING PERIOD

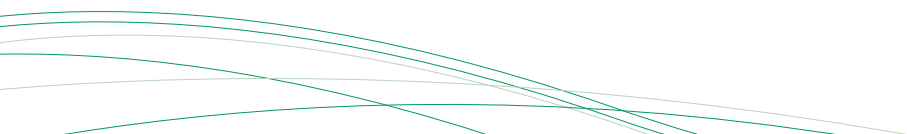
Save as disclosed in note 29 to the consolidated financial statements of the Company in this report, the Group has no material events subsequent to 30 June 2025 being the end of the Year and up to the date of this report.

On behalf of the Board

Zhang Sanhuo

EXECUTIVE DIRECTOR & CHAIRMAN

Hong Kong, 30 September 2025



INDEPENDENT AUDITOR'S REPORT



TO THE SHAREHOLDERS OF PINE TECHNOLOGY HOLDINGS LIMITED

松景科技控股有限公司

(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of PINE Technology Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 50 to 105, which comprise the consolidated statement of financial position as at 30 June 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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 issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “**Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS *(Continued)*

Revenue recognition

Refer to Note 6 to the consolidated financial statements.

For the year ended 30 June 2025, the Group recognised revenue of approximately HK\$303,427,000, which are material to the consolidated financial statements. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Group.

Our audit procedures included, among others:

- Evaluating the design and implementation of key internal controls which govern revenue recognition;
- Inspecting sale and purchase agreements, on a sample basis, to understand the terms of delivery and assessing whether management recognised the related revenue in accordance with the Group's accounting policies and the prevailing accounting standards;
- Checking, on a sample basis, revenue transactions recorded during the year with the underlying sale and purchase agreements, bills of lading, invoices and bank-in slips for settled balances, where applicable, and assessed whether the related revenue had been recognised in accordance with the Group's revenue recognition policies; and
- Comparing, on a sample basis, specific revenue transactions recorded before and after the financial year end date with the underlying sale and purchase agreements, bills of lading, invoices and bank-in slips for settled balances, where applicable, to determine whether the related revenue had been recognised in the appropriate financial period.

We consider that the Group's revenue recognised is supported by the available evidence.

OTHER INFORMATION

The directors of the Company (the “**Directors**”) are responsible for the other information. The other information comprises all the information in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at:

<http://www.hkicpa.org.hk/en/standards-setting/standards/Our-views/auditre>

This description forms part of our auditor's report.

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Pang Hon Chung

Audit Engagement Director

Practising Certificate Number P05988

Hong Kong, 30 September 2025

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	6	303,427	234,832
Cost of sales		(298,459)	(232,005)
Gross profit		4,968	2,827
Other income		48	34
Other gains and losses, net	7	(250)	274
Gain on disposal of subsidiaries	28	–	57,411
Impairment loss on right-of-use asset		(1,640)	–
Selling and distribution expenses		(1,397)	(1,001)
General and administrative expenses		(17,652)	(13,819)
Operating (loss)/profit		(15,923)	45,726
Finance costs	8	(50)	(106)
(Loss)/profit before taxation		(15,973)	45,620
Income tax expense	9	(589)	(601)
(Loss)/profit for the year	10	(16,562)	45,019
Other comprehensive income: Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		98	377
Foreign currency translation reserve reclassified to profit or loss upon disposal of subsidiaries		–	1,346
Total other comprehensive income for the year		98	1,723
Total comprehensive (expense)/income for the year		(16,464)	46,742

	NOTES	2025 HK\$'000	2024 HK\$'000
(Loss)/profit for the year attributable to:			
Owners of the Company		(17,128)	45,641
Non-controlling interests		566	(622)
		(16,562)	45,019
Total comprehensive (expense)/income for the year attributable to:			
Owners of the Company		(17,040)	47,379
Non-controlling interests		576	(637)
		(16,464)	46,742
(Loss)/earnings per share			
Basic and diluted (HK\$)	13	(0.013)	0.034

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	NOTES	As at 30 June 2025 HK\$'000	As at 30 June 2024 HK\$'000
Non-current assets			
Property, plant and equipment	14	149	224
Right-of-use asset	15	–	462
Intangible assets	16	2,387	2,672
Rental deposits	17	552	–
		3,088	3,358
Current assets			
Inventories		218	–
Trade and other receivables	17	2,911	3,190
Tax recoverable		260	260
Bank balances and cash	19	68,522	83,646
		71,911	87,096
Current liabilities			
Trade and other payables	20	2,663	1,374
Contract liabilities	18	–	1,864
Loan from a director	21	518	124
Tax payable		175	227
Lease liabilities	22	1,054	476
		4,410	4,065
Net current assets		67,501	83,031
Total assets less current liabilities		70,589	86,389
Non-current liabilities			
Lease liabilities	22	664	–
NET ASSETS		69,925	86,389

	NOTES	As at 30 June 2025 HK\$'000	As at 30 June 2024 HK\$'000
Capital and reserves			
Share capital	23	132,670	132,670
Reserves		(66,054)	(49,014)
Equity attributable to owners of the Company		66,616	83,656
Non-controlling interests		3,309	2,733
TOTAL EQUITY		69,925	86,389

The consolidated financial statements on pages 50 to 105 were approved and authorised for issue by the board of directors on 30 September 2025 and are signed on its behalf by:

Zhang Sanhuo
DIRECTOR

An Juan
DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Attributable to owners of the Company							Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Surplus account HK\$'000 (Note)	Foreign currency translation reserve HK\$'000	Share options reserve HK\$'000	Accumulated losses HK\$'000	Sub-total HK\$'000		
Balance at 1 July 2023	132,670	454,068	22,755	(1,785)	19,000	(590,431)	36,277	49,107	85,384
Profit for the year	-	-	-	-	-	45,641	45,641	(622)	45,019
Other comprehensive income/(expense) for the year	-	-	-	1,738	-	-	1,738	(15)	1,723
Total comprehensive income/(expense) for the year	-	-	-	1,738	-	45,641	47,379	(637)	46,742
Capital contribution by non-controlling interests of a subsidiary	-	-	-	-	-	-	-	2,734	2,734
Disposal of subsidiaries (Note 28)	-	-	-	-	-	-	-	(48,471)	(48,471)
Balance at 30 June 2024	132,670	454,068	22,755	(47)	19,000	(544,790)	83,656	2,733	86,389
Balance at 1 July 2024	132,670	454,068	22,755	(47)	19,000	(544,790)	83,656	2,733	86,389
(Loss)/profit for the year	-	-	-	-	-	(17,128)	(17,128)	566	(16,562)
Other comprehensive income for the year	-	-	-	88	-	-	88	10	98
Total comprehensive income/(expense) for the year	-	-	-	88	-	(17,128)	(17,040)	576	(16,464)
Balance at 30 June 2025	132,670	454,068	22,755	41	19,000	(561,918)	66,616	3,309	69,925

Note: Surplus account of the Group represents the difference between the nominal amount of the share capital issued by the Company and the aggregate of the nominal amount of the issued share capital and other reserve accounts of Pine Technology (BVI) Limited, the subsidiary which was acquired by the Company pursuant to the group reorganisation in previous years.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	2025 HK\$'000	2024 HK\$'000
Operating activities		
(Loss)/profit before taxation	(15,973)	45,620
Adjustments for:		
Depreciation of property, plant and equipment	75	87
Depreciation of right-of-use assets	790	1,014
Amortisation of intangible assets	285	57
Finance costs	50	106
Interest income	(8)	(34)
Gain on disposal of subsidiaries (Note 28)	–	(57,411)
Impairment loss on right-of-use assets	1,640	–
Operating loss before working capital changes	(13,141)	(10,561)
Change in inventories	(217)	19
Change in trade and other receivables and rental deposits	(274)	(39)
Change in contract assets and contract costs	–	187
Change in contract liabilities	(1,853)	1,895
Change in trade and other payables	1,285	(975)
Net cash used in operations	(14,200)	(9,474)
Interest paid on lease liabilities	(50)	(81)
Income tax paid	(641)	(94)
Net cash used in operating activities	(14,891)	(9,649)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	2025 HK\$'000	2024 HK\$'000
Investing activities		
Interest received	8	34
Disposal of subsidiaries (Note 28)	–	(3,482)
Purchases of property, plant and equipment	–	(298)
Net cash generated from/(used in) investing activities	8	(3,746)
Financing activities		
Interest paid	–	(25)
Repayments of lease liabilities	(726)	(1,023)
New bank borrowings raised	–	–
Repayments of bank borrowings	–	(241)
Advance from/(repayments) to a director	394	(162)
Net cash used in financing activities	(332)	(1,451)
Net decrease in cash and cash equivalents	(15,215)	(14,846)
Cash and cash equivalents at beginning of the year	83,646	98,109
Effect of foreign exchange rate changes	91	383
Cash and cash equivalents at end of the year	68,522	83,646
Analysis of cash and cash equivalents		
Bank and cash balances	68,522	83,646

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

1. GENERAL INFORMATION

PINE Technology Holdings Limited (the “**Company**”) is incorporated in Bermuda as an exempted company with limited liability under the Companies Law of Bermuda and its shares are listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company and its subsidiaries are together referred to as the “**Group**”. The address of the registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of the Company’s principal place of business in Unit B, 12/F., Central 88, 88–98 Des Voeux Road Central, Central, Hong Kong.

The principal activities of the Group are the manufacture and sales of market video graphics cards and other computer components under the Group’s brand name, distribution of other manufacturers’ computer components and consumer electronic products and others, trading business, and the provision of computer software and hardware and system development service. The Company is an investment holding company.

The consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”) and all values are rounded to the nearest thousand except when otherwise indicated.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current year, the Group has adopted all the amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) that are relevant to its operations and effective for its accounting year beginning on 1 July 2024 for the preparation of the consolidated financial statements. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. The adoption of these amendments to HKFRS Accounting Standards in the current year 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 and prior years.

The Group has not early applied the new and amendments to 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 and amendments to HKFRS Accounting Standards but is not yet in a position to state whether these new and amendments to HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under historical cost convention. The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain key assumptions and estimates. It also requires the directors of the Company (the “**Directors**”) to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements are disclosed in Note 4 to the consolidated financial statements.

The material accounting policies applied in the preparation of these consolidated financial statements are set out below.

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Basis of consolidation *(Continued)*

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in HKD, which is the Company's functional and presentation currency.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all the entities of the Group that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Property, plant and equipment are depreciated on a straight-line basis over the following estimated useful lives:

	Estimated useful lives
Motor vehicles	4 to 6 years
Furniture, fixtures and equipment	4 to 6 years
Computer equipment	4 to 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives ranging from 8 to 10 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses/revalued amounts, being their fair value at the date of the revaluation less subsequent accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Leases *(Continued)*

The Group as a lessee

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. The principal annual rates are as follows:

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments). After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and interest income

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Loss allowances for expected credit losses (“ECL”)

The Group recognises loss allowances for ECL on financial assets at amortised cost and contract assets. ECL are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the ECL that result from all possible default events over the expected life of that financial instrument (“**lifetime expected credit losses**”) for trade receivables and contract assets, or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the ECL that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of ECL or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables, loan from a director and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Other revenue

Interest income is recognised on a time-proportion basis using the effective interest method.

Employee benefits

(i) **Employee leave entitlements**

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) **Pension obligations**

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds. No forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) will be used by the employers to reduce the existing level of contributions.

(iii) **Termination benefits**

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Share-based payments

The Group issues equity-settled share-based payments to certain Directors, employees and consultants.

Equity-settled share-based payments to certain Directors and employees are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Equity-settled share-based payments to consultants are measured at the fair value of the services rendered or if the fair value of the services rendered cannot be reliably measured, at the fair value of the equity instruments granted. The fair value is measured at the date the Group receives the services and is recognised as an expense.

Taxation

Income tax represents the sum of the current tax and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Taxation *(Continued)*

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Related parties

A related party is a person or entity that is related to the Group.

- (A) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Company or of a parent of the Company.
- (B) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Related parties *(Continued)*

- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

Segment reporting

Operating segments and the amounts of each segment item reported in the financial statements are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources and assessing the performance of the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Impairment on property, plant and equipment, right-of-use assets and intangible assets

At the end of the reporting year, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, and intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property, plant and equipment, right-of-use assets, and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

3. **BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION** *(Continued)*

Impairment on property, plant and equipment, right-of-use assets and intangible assets *(Continued)*

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value-in-use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Events after the reporting year

Events after the reporting year that provide additional information about the Group's position at the end of the reporting year or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting year that are not adjusting events are disclosed in the notes to the financial statements when material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

4. KEY ESTIMATES

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) *Estimated impairment of property, plant and equipment and right-of-use assets*

Property, plant and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash generating unit to which the assets belongs, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash generating units, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

4. **KEY ESTIMATES** *(Continued)*

Key sources of estimation uncertainty *(Continued)*

(a) Estimated impairment of property, plant and equipment and right-of-use assets *(Continued)*

Furthermore, the cash flows projections, growth rate and discount rate are subject to greater uncertainties due to uncertainty on how the international conflicts and tensions/volatility in foreign currency may progress and evolve. Details of the impairment loss calculation are provided in Note 14 to the consolidated financial statements.

(b) Provision of ECL for trade and other receivables

Trade and other receivables with significant balances and credit-impaired are assessed for ECL individually. The provision of ECL is sensitive to changes in estimates. During the year, no impairment loss or reversal of impairment loss was recognised (2024: Nil) for trade and other receivables. The information about the Group's trade and other receivables are disclosed in Note 17.

5. **FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign exchange risk

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.

(b) Credit risk

The carrying amount of the bank balances and cash, and trade and other receivables included in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group's credit risk is primarily attributable to its trade receivables and other receivables. The Group is exposed to concentration of credit risk as a substantial portion of its trade receivables is generated from a limited number of customers. The Group manages its credit risk by closely monitoring the granting of credit period and credit limit and follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt and individual debts at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

5. FINANCIAL RISK MANAGEMENT *(Continued)*

(b) Credit risk *(Continued)*

The credit risk on bank balances and cash is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at the end of the reporting period in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the consolidated statement of financial position. The Group's credit risk is primarily attributable to its trade and other receivables. In order to minimise credit risk, the Directors review the recoverable amount of each individual receivable regularly to ensure that adequate impairment losses are recognised for irrecoverable receivable. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following information is used:

- internal credit rating;
- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group normally categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 360 days past due. Where loans or receivables have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

5. FINANCIAL RISK MANAGEMENT *(Continued)*

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis of the Group's financial liabilities is as follow:

	Within 12 months or on demand HK\$'000	1 to 2 years HK\$'000	2 to 5 years HK\$'000	Total contractual undiscounted cash flow HK\$'000	Carrying amounts HK\$'000
At 30 June 2025					
Trade and other payables	613	–	–	–	613
Loan from a director	518	–	–	–	518
	1,131	–	–	–	1,131

	Within 12 months or on demand HK\$'000	1 to 2 years HK\$'000	2 to 5 years HK\$'000	Total contractual undiscounted cash flow HK\$'000	Carrying amounts HK\$'000
At 30 June 2024					
Trade and other payables	1,374	–	–	1,374	1,374
Loan from a director	124	–	–	124	124
	1,498	–	–	1,498	1,498

(d) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

5. FINANCIAL RISK MANAGEMENT *(Continued)*

(e) Categories of financial instruments at 30 June

	2025 HK\$'000	2024 HK\$'000
Financial assets:		
Financial assets at amortised cost (including cash and cash equivalents)	71,604	84,486
Financial liabilities:		
Financial liabilities at amortised cost	1,131	1,498

6. REVENUE AND SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker (“**CODM**”), for the purpose of resources allocation and assessment of segment performance focuses on the sales of brands of products provided by the Group’s operating divisions. The Group is currently organised into four operating divisions, which are the sales of Group’s brand products; sales of other brand products; trading business; and provision of computer software and hardware and system development service. These four operating divisions form the basis of internal reports about components of the Group that are regularly reviewed by the CODM for the purpose of resources allocation and performance assessment. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group’s reportable and operating segments under HKFRS 8 *Operating Segments* are as follows:

Group’s brand products	– manufacture and sales of market video graphics cards and other computer components under the Group’s brand name
Other brand products	– distribution of other manufacturers’ computer components and consumer electronic products and others
Trading business	– trading business in the People’s Republic of China (the “ PRC ”)
Computer software and hardware and system development service	– provision of computer software and hardware and system development service in the PRC

6. REVENUE AND SEGMENT INFORMATION (Continued)

The Group's revenue is analysed as follows:

	2025 HK\$'000	2024 HK\$'000
Sales of other brand products	252,859	190,982
Sales of plastic products through trading business	46,924	42,163
Provision for computer software and hardware and system development service	3,003	1,687
Sales of group's brand products	641	–
Revenue from contract with customers	303,427	234,832

Disaggregation of revenue from contracts with customers:

For the year ended 30 June 2025 and 2024

	2025 HK\$'000	2024 HK\$'000
Major products/services		
Sales of computer components	252,859	190,982
Sales of plastic products through trading business	46,924	42,163
Provision for computer software and hardware and system development service	3,003	1,687
Sales of mobile accessories	641	–
Total	303,427	234,832
Timing of revenue recognition		
At a point in time	301,875	233,498
Over time	1,552	1,334
Total	303,427	234,832

Sales of Group's brand products and other brand products

The Group manufactures and sells market video graphics cards, other computer components, consumer electronic products and others under the Group's brand products and other brand products. 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.

The products are sold with volume discounts based on aggregate sales over a 12 months period, if any. Revenue from these sales is recognised based on the prices specified in the contracts, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the volume discounts, using the expected value method. A contract liability is recognised for the expected volume discounts payable to customers in relation to the sales made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

6. REVENUE AND SEGMENT INFORMATION *(Continued)*

Sales of Group's brand products and other brand products *(Continued)*

Sales to customers are normally made with credit terms from 90 to 180 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.

Sales of plastic products through trading business

The Group sells plastic products through trading business. Sales are recognised when control of the product is transferred, being when the products are delivered to a customer, and 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.

The customers pay the contract prices to the Group according to the payment schedules as stipulated in the contracts.

Provision for computer software and hardware and system development service

The Group provides computer software and hardware and system development service to the customers. When the progress towards complete satisfaction of the performance obligations of computer software and hardware and system development service contract can be measured reasonably, revenue from the contract and the contract costs are recognised using the percentage of completion method, measured by reference to the surveys of work performed. This method provides the most reliable estimate of the percentage of completion.

When the progress towards complete satisfaction of the performance obligations of computer software and hardware and system development service contract cannot be measured reasonably, revenue is recognised only to the extent of contract costs incurred that is expected to be recoverable.

The customers pay the contract prices to the Group according to the payment schedules as stipulated in the contracts. If the service rendered by the Group exceeds the payments, a contract asset is recognised. If the payments exceed the service rendered, a contract liability is recognised.

Some system integration contracts include multiple deliverables, such as the installation of hardware and software. If the installation is simple, does not include an integration service and could be performed by another party, it is accounted for as a separate performance obligation.

6. REVENUE AND SEGMENT INFORMATION *(Continued)*

Provision for computer software and hardware and system development service *(Continued)*

If a contract includes the installation of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware.

The contract price is allocated to the performance obligations based on the relative stand-alone selling prices of the performance obligations. The stand-alone selling prices are determined by applying the expected cost plus a margin approach.

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

For the year ended 30 June 2025

	Group's brand products HK\$'000	Other brand products HK\$'000	Trading business HK\$'000	Computer software and hardware and system development service HK\$'000	Consolidated HK\$'000
REVENUE					
External sales	641	252,859	46,924	3,003	303,427
	641	252,859	46,924	3,003	303,427
SEGMENT RESULTS	467	1,959	75	1,226	3,727
Other income					48
Unallocated corporate expenses					(18,058)
Impairment loss on right-of-use asset					(1,640)
Finance costs					(50)
Loss before taxation					(15,973)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

6. REVENUE AND SEGMENT INFORMATION *(Continued)*

For the year ended 30 June 2024

	Group's brand products HK\$'000	Other brand products HK\$'000	Trading business HK\$'000	Computer software and hardware and system development service HK\$'000	Consolidated HK\$'000
REVENUE					
External sales	–	190,982	42,163	1,687	234,832
	–	190,982	42,163	1,687	234,832
SEGMENT RESULTS	(112)	1,799	245	(1,094)	838
Other income					34
Gain on disposal of subsidiaries (Note 28)					57,411
Unallocated corporate expenses					(12,557)
Finance costs					(106)
Profit before taxation					45,620

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment result represents gross loss incurred by or gross profit generated from each segment, net of selling and distribution costs and administration costs directly attributable to each segment without allocation of interest income, corporate expenses, finance costs, impairment loss on right-of-use asset and gain on disposal of subsidiaries. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

No segment assets and liabilities in the measure of the Group's reporting are presented as the information is not reported to the CODM for the purposes of resources allocation and performance assessment.

6. REVENUE AND SEGMENT INFORMATION *(Continued)****For the year ended 30 June 2025***

	Group's brand products HK\$'000	Other brand products HK\$'000	Trading business HK\$'000	Computer software and hardware and system development service HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Amortisation of intangible assets	-	-	-	285	-	285
Depreciation of right-of-use asset	-	-	-	-	790	790
Depreciation of property, plant and equipment	75	-	-	-	-	75

For the year ended 30 June 2024

	Group's brand products HK\$'000	Other brand products HK\$'000	Trading business HK\$'000	Computer software and hardware and system development service HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Amortisation of intangible assets	-	-	-	57	-	57
Depreciation of right-of-use assets	-	-	-	-	1,014	1,014
Depreciation of property, plant and equipment	75	-	-	12	-	87

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

6. REVENUE AND SEGMENT INFORMATION *(Continued)*

Geographical information

The Group's revenue from external customers mainly derives from customers located in the PRC and Hong Kong, and information about its non-current assets excluded financial instruments by geographical location of the assets are detailed as below:

	Revenue by external customers		Non-current assets	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
PRC	302,786	234,810	2,382	2,672
Hong Kong	641	22	154	686
	303,427	234,832	2,536	3,358

Information about major customers

	2025 HK\$'000	2024 HK\$'000
Sales of other brand products – Customer A	51,580	128,677

7. OTHER GAINS AND LOSSES, NET

	2025 HK\$'000	2024 HK\$'000
Foreign exchange (loss)/gain, net	(250)	274

8. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on:		
Bank borrowings	–	25
Lease liabilities	50	81
	50	106

9. TAXATION

	2025 HK\$'000	2024 HK\$'000
Current tax		
Hong Kong Profits Tax	16	–
The PRC Enterprise Income Tax	573	519
	589	519
Under-provision in respect of prior years		
PRC Enterprise Income Tax	–	82
	–	82
Income tax expense	589	601

For the years ended 30 June 2025 and 2024, Hong Kong Profits Tax is calculated under two-tier profit tax rate regime. First HK\$2 millions of estimated assessable profits is taxed at a rate of 8.25% and the remaining estimated assessable profits is taxed at 16.5%. The Group have selected one of the Hong Kong subsidiaries to apply the two-tier profits tax rate.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

9. TAXATION (Continued)

The reconciliation between the income tax expense and (loss)/profit before taxation is as follows:

	2025 HK\$'000	2024 HK\$'000
(Loss)/profit before taxation	(15,973)	45,620
Tax at the applicable tax rate of 16.5% (2024: 16.5%)	(2,636)	7,527
Tax effect of expenses not deductible for tax purpose	271	67
Tax effect of income not taxable for tax purpose	–	(9,450)
Effect of tax exemption and preferential rates	(245)	(3)
Effect of different tax rates of subsidiaries operating in other jurisdictions	274	78
Utilisation of tax losses previously not recognised	(5)	–
Tax effect of tax losses not recognised	2,961	2,300
Under-provision in respect of prior years	–	82
Other	(31)	–
Income tax expense	589	601

10. (LOSS)/PROFIT FOR THE YEAR

The Group's (loss)/profit for the year is stated after (crediting)/charging the following:

	2025 HK\$'000	2024 HK\$'000
Amortisation on intangible assets:		
Trademarks	1	–
Patents	284	57
Auditor's remuneration	900	850
Depreciation of property, plant and equipment	75	87
Depreciation of right-of-use asset	790	1,014
Staff costs (including directors' remuneration)		
Salaries, bonus and allowances	11,843	9,063
Retirement benefits scheme contributions	322	540
	12,165	9,603
Interest income on bank deposits	(8)	(34)
Short-term lease expenses	672	37

11. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS

The remuneration of each Director for the year ended 30 June 2025 is set out below:

	Fee HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Retirement benefits scheme contributions HK\$'000	Bonuses HK\$'000	Total HK\$'000
<i>Executive Directors</i>					
Mr. Zhang Sanhuo	1,200	–	–	–	1,200
Ms. An Juan*	63	–	–	–	63
Mr. Wang Shoulei**	80	–	–	–	80
<i>Independent Non-executive Directors</i>					
Mr. Zhou Chunsheng	144	–	–	–	144
Mr. So Hon Cheung	144	–	–	–	144
Mr. Tian Hong	144	–	–	–	144
Total	1,775	–	–	–	1,775

The remuneration of each Director for the year ended 30 June 2024 is set out below:

	Fee HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Retirement benefits scheme contributions HK\$'000	Bonuses HK\$'000	Total HK\$'000
<i>Executive Directors</i>					
Mr. Zhang Sanhuo	1,200	–	–	–	1,200
Ms. An Juan*	1	–	–	–	1
<i>Independent Non-executive Directors</i>					
Mr. Zhou Chunsheng	144	–	–	–	144
Mr. So Hon Cheung	144	–	–	–	144
Mr. Tian Hong	144	–	–	–	144
Total	1,633	–	–	–	1,633

* Appointed as an executive director of the Company with effect from 27 June 2024.

** Appointed as an executive director of the Company with effect from 3 March 2025.

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For the year ended 30 June 2025

11. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS *(Continued)*

Five highest paid individuals

The five highest paid individuals in the Group during the year included one (2024: one) Director whose emoluments are reflected in the analysis presented above. The emoluments of the remaining four (2024: four) individuals are set out below:

	2025 HK\$'000	2024 HK\$'000
Basic salaries and allowances	3,516	2,918
	3,516	2,918

The emoluments fell within the following band:

	Number of individuals	
	2025	2024
Nil to HK\$1,000,000	2	3
HK\$1,000,001 to HK\$1,500,000	2	1
	4	4

12. DIVIDEND

No dividend had been paid or proposed for both years presented. The Directors do not recommend the payment of any dividend for the year (2024: Nil).

13. (LOSS)/EARNINGS PER SHARE

	2025 HK\$'000	2024 HK\$'000
(Loss)/profit for the purposes of basic and diluted (loss)/ earning per shares		
(Loss)/profit for the year attributable to owners of the Company	(17,128)	45,641
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss/earning per shares	1,326,702	1,326,702

Basic and diluted loss per share is HK\$0.013 per share (2024: Earning per share is HK\$0.034 per share) for the year, based on the loss of approximately HK\$17,128,000 (2024: Profit of approximately HK\$45,641,000) for the year attributable to owners of the Company divided by the weighted average number of approximately 1,326,702,000 (2024: approximately 1,326,702,000) ordinary shares in issue during the year.

For the six months ended 30 June 2025 and 2024, the computation of diluted (loss)/earnings per share does not assume the exercise of the outstanding share options issued because the exercise price of these options was higher than the average market price of the Company's shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

14. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles HK\$'000	Furniture, fixtures and equipment HK\$'000	Computer equipment HK\$'000	Total HK\$'000
Cost				
At 1 July 2023	7,597	3,471	139	11,207
Exchange adjustments	–	87	3	90
Additions	–	298	–	298
Disposal of subsidiaries (Note 28)	(1,397)	(3,557)	(130)	(5,084)
At 1 July 2024 and 30 June 2025	6,200	299	12	6,511
Accumulated depreciation				
At 1 July 2023	7,597	3,471	31	11,099
Exchange adjustments	–	85	2	87
Provided for the year	–	76	11	87
Disposal of subsidiaries (Note 28)	(1,397)	(3,557)	(32)	(4,986)
At 30 June 2024 and 1 July 2024	6,200	75	12	6,287
Provided for the year	–	75	–	75
At 30 June 2025	6,200	150	12	6,362
Carrying amount				
At 30 June 2025	–	149	–	149
At 30 June 2024	–	224	–	224

14. PROPERTY, PLANT AND EQUIPMENT *(Continued)***Impairment assessment**

Due to the loss of the relevant cash-generating units related to the business of the sales of Group's and other brand products, trading business and hardware development service, the management of the Group concluded there was indication for impairment and conducted impairment assessment on certain property, plant and equipment and right-of-use assets with carrying amounts of HK\$149,000 and HK\$1,640,000 respectively. The Group estimates the recoverable amounts of the several cash-generating units from the relevant segments to which the assets belongs when it is not possible to estimate the recoverable amount individually, including allocation of corporate assets when reasonable and consistent basis can be established.

The recoverable amount of the cash-generating units has been determined based on a value in use calculation. The calculation uses cash flow projections based on financial budgets approved by the management of the Group covering the following 5 years with a pre-tax discount rate of 12% as at 30 June 2025. The cash flow beyond 5-year period are extrapolated using 2.5% growth rate for the relevant industry. Another key assumption for the value in use calculated is the budgeted gross margin, which is determined based on the cash-generating units' past performance and management expectations for the market development. The estimated cash flows and discount rate are subjected to higher degree of estimation uncertainties due to uncertainty on the uncertain macroeconomic and geopolitical environment.

Based on the result of the assessment, management of the Group determined that the recoverable amount of the cash-generating units are lower than the carrying amount. The impairment amount has been allocated to the right-of-use assets such that the carrying amount of each category of asset is not reduced below the highest of its fair value less cost of disposal, its value in use and zero. Based on the value in use calculation and the allocation, impairment loss of HK\$1,640,000 has been recognised against the carrying amount of the right-of-use assets within the relevant functions to which these assets relate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

15. RIGHT-OF-USE ASSETS

Disclosures of lease-related items:

	2025 HK\$'000	2024 HK\$'000
At 30 June:		
Right-of-use assets		
– Office premises	–	462
Year ended 30 June:		
Depreciation charge of right-of-use assets		
– Office premises	790	1,014
Lease interests	50	81
Expenses related to short-term leases	672	37
Total cash outflow for leases	1,448	1,104
Additions to right-of-use assets	1,968	–
Impairment loss on right-of-use assets (Note 14)	1,640	–

The Group leases various office premises. Lease agreements are typically made for fixed periods of 1 to 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

16. INTANGIBLE ASSETS

	Patents HK\$'000	Trademarks HK\$'000	Customer relationship HK\$'000 (Note a)	Total HK\$'000
Cost				
At 1 July 2023	–	105	114,715	114,820
Disposal of subsidiaries (Note 28)	–	–	(114,715)	(114,715)
Additions (Note (a))	2,734	–	–	2,734
Exchange adjustments	(12)	–	–	(12)
At 30 June 2024 and 1 July 2024	2,722	105	–	2,827
Write-off	–	(95)	–	(95)
Exchange adjustments	2	–	–	2
At 30 June 2025	2,724	10	–	2,734
Amortisation and impairment				
At 1 July 2023	–	99	114,715	114,814
Exchange adjustments	(1)	–	–	(1)
Provided for the year	57	–	–	57
Disposal of subsidiaries (Note 28)	–	–	(114,715)	(114,715)
At 30 June 2024 and 1 July 2024	56	99	–	155
Exchange adjustments	2	–	–	2
Provided for the year	284	1	–	285
Write-off	–	(95)	–	(95)
At 30 June 2025	342	5	–	347
Carrying amount				
At 30 June 2025	2,382	5	–	2,387
At 30 June 2024	2,666	6	–	2,672

Note:

- (a) During the year ended 30 June 2024, the non-controlling interests of a subsidiary has injected intangible assets with fair value of approximately HK\$2,734,000 as capital contribution to that subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

17. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Current		
Trade receivables	1,835	193
Less: allowance for doubtful debts	–	–
Trade receivables, net	1,835	193
Deposits, prepayments and other receivables	1,076	2,997
	2,911	3,190
Non-current		
Rental deposits	552	–
	3,463	3,190

The Group allows a credit period of 90 to 180 days (2024: 90 to 180 days) to its trade customers. The aged analysis of trade receivables, net of allowances for doubtful debt, presented based on invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
1 to 90 days	677	193
91 to 180 days	61	–
Over 180 days	1,097	–
	1,835	193

17. TRADE AND OTHER RECEIVABLES *(Continued)*

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. The expected credit losses are measured based on individual assessment, taking into account the past due status of debtors, adjusted as appropriate to reflect account condition and estimates of future conditions.

During the year ended 30 June 2025 and 2024, no impairment loss or reversal of impairment loss for trade and other receivables have been recognised.

18. CONTRACT COSTS AND CONTRACT LIABILITIES

The contract costs of the Group are under the computer software and hardware and system development service segment.

	At 30 June 2025 HK\$'000	At 30 June 2024 HK\$'000	At 1 July 2023 HK\$'000
Contract assets	–	–	–
Contract costs – pre-contract costs	–	–	408
Total contract assets and contract costs	–	–	408
Contract receivables (included in trade receivables)	1,835	193	3,479
Contract liabilities	–	1,864	496

Transaction prices allocated to performance obligations unsatisfied at end of year and expected to be recognised as revenue in:

	At 30 June 2025 HK\$'000	At 30 June 2024 HK\$'000
– Within one year	–	1,864
– In the second year	–	–
	–	1,864

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

18. CONTRACT COSTS AND CONTRACT LIABILITIES *(Continued)*

Significant changes in contract liabilities during the year:

	Contract liabilities 2025 HK\$'000	Contract liabilities 2024 HK\$'000
Increase due to operations during the year	–	(1,849)
Transfer of contract liabilities to revenue	1,854	492
Exchange adjustments	10	(11)

19. BANK BALANCES AND CASH

Bank balances and cash comprise certain short-term bank deposits at interest rates ranging from 0.01% to 0.25% (2024: 0.01% to 0.875%) per annum with an original maturity of three months or less.

As at 30 June 2025, the bank balances and cash of the Group denominated in Renminbi (“RMB”) amounted to approximately HK\$67,423,000 (2024: approximately HK\$82,895,000). Conversion of RMB into foreign currencies subject to the PRC’s Foreign Exchange Control Regulations.

20. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting year:

	2025 HK\$'000	2024 HK\$'000
31 to 60 days	211	–
Trade payables	211	–
Accruals and other payables	2,452	1,374
	2,663	1,374

The average credit period on purchases of goods is 30 to 60 days (2024: 30 to 60 days).

21. LOAN FROM A DIRECTOR

The amount is unsecured, interest-free and repayable on demand.

22. LEASE LIABILITIES

	Lease payments		Present value of lease payments	
	As at 30 June 2025 HK\$'000	As at 30 June 2024 HK\$'000	As at 30 June 2025 HK\$'000	As at 30 June 2024 HK\$'000
Within one year	1,119	499	1,054	476
In the second to fifth year, inclusive	676	–	664	–
Less: Future finance charges	1,795 (77)	499 (23)		
Present value of lease liabilities	1,718	476	1,718	476
Less: Amount due for settlement within 12 months (shown under current liabilities)			(1,054)	(476)
Amount due for settlement after 12 months			664	–

At 30 June 2025, the average effective borrowing rate was 5.25% (2024: 5.38%). Interest rates are fixed at the contract dates and thus expose the Group to fair value interest rate risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

23. SHARE CAPITAL

	Number of shares	Amounts HK\$'000
Ordinary shares of HK\$0.1 each:		
Authorised		
At 1 July 2023, 30 June 2024 and 30 June 2025	2,000,000,000	200,000
Issued and fully paid		
At 1 July 2023, 30 June 2024 and 30 June 2025	1,326,701,739	132,670

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders of the Company through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debts, which includes lease liabilities, net of cash and cash equivalents, and equity attributable to the owners of the Company, comprising issued share capital, share premium, reserves and non-controlling interests.

The Directors review the capital structure periodically taking into account the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the repayment of existing debt.

24. SHARE OPTIONS

Pursuant to a resolution passed on 22 November 2013, the Company has adopted a share option scheme (the “**Scheme**”), for the purpose of providing incentives to Directors and eligible employees and, unless otherwise cancelled or amended. The Scheme expired on the tenth anniversary of the adoption date and no further share options may be granted under the Scheme.

The Scheme shall be valid and effective until the expiry dates, after which period no further share options will be granted but the provisions of the Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted or exercised prior thereto. Under the Scheme, the Board of Directors may grant options to eligible employees, including executive directors, any of its subsidiaries, or any persons who have contributed or will contribute to the Group, to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme and any other schemes is not permitted to exceed 10% of the shares of the Company in issue at the respective date of Shareholders’ approval of each scheme (the “**Scheme Mandate Limit**”) or, if such 10% limit is refreshed, at the date of Shareholders’ approval of the renewal of the Scheme Mandate Limit. The maximum aggregate number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes, must not exceed 30% of the total number of shares of the Company in issue from time to time. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company then in issue, without prior approval from the Company’s shareholders. Each grant of options to any director, chief executive or substantial shareholder must be approved by independent non-executive directors. Where any grant of options to a substantial shareholder or an independent non-executive director or any of their respective associates would result in the shares of the Company issued and to be issued upon exercise of options already granted and to be granted in excess of 0.1% of the Company’s issued share capital and with a value in excess of HK\$5,000,000 in the 12-month period up to the date of grant, then the grant must be approved in advance by the Shareholders.

Options granted must be taken up within 21 days from the date of grant, upon payment of HK\$1 per option. An option may be exercised in accordance with the terms of the Scheme at any time during the respective effective period of each scheme to be notified by the Board of Directors which shall not be later than 10 years from the date of grant. The exercise price is determined by the Directors, and will not be less than the highest of the closing price of the Company’s share on the date of grant, the average closing price of the share on the Stock Exchange for the five business days immediately preceding the date of grant, and the nominal value.

Details of the share options outstanding under the Scheme during the year to subscribe for the shares in the Company are as follows:

There were no movements of the Company’s number of share options during the years ended 30 June 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

24. SHARE OPTIONS (Continued)

The following tables disclose the details of the Company's share options outstanding at the years ended 30 June 2025 and 2024:

For the year ended 30 June 2025 and 2024

		Outstanding at 1 July 2023, 30 June 2024 and 30 June 2025	Grant date	Validity period (both dates inclusive)	Exercisable period (both dates inclusive)	Exercise price HK\$
Mr. Zhang Sanhuo	Chairman and Executive Director	1,999,800	22.9.2017	22.9.2017 to 21.9.2027	22.9.2017 to 21.9.2027	0.83
		1,999,800	22.9.2017	22.9.2017 to 21.9.2027	22.9.2018 to 21.9.2027	0.83
		2,000,400	22.9.2017	22.9.2017 to 21.9.2027	22.9.2019 to 21.9.2027	0.83
		5,430,000	12.12.2018	12.12.2018 to 11.12.2028	12.12.2018 to 11.12.2028	0.46
		5,430,000	12.12.2018	12.12.2018 to 11.12.2028	12.12.2019 to 11.12.2028	0.46
Sub-total for Director		16,860,000				
Mr. Chan Cheuk Ho	Employee ^(Note 1)	1,999,800	22.9.2017	22.9.2017 to 21.9.2027	22.9.2017 to 21.9.2027	0.83
		1,999,800	22.9.2017	22.9.2017 to 21.9.2027	22.9.2018 to 21.9.2027	0.83
		2,000,400	22.9.2017	22.9.2017 to 21.9.2027	22.9.2019 to 21.9.2027	0.83
		6,630,000	12.12.2018	12.12.2018 to 11.12.2028	12.12.2018 to 11.12.2028	0.46
		6,630,000	12.12.2018	12.12.2018 to 11.12.2028	12.12.2019 to 11.12.2028	0.46
Consultants		18,260,000	12.12.2018	12.12.2018 to 11.12.2028	12.12.2018 to 11.12.2028	0.46
		18,260,000	12.12.2018	12.12.2018 to 11.12.2028	12.12.2019 to 11.12.2028	0.46
		55,780,000				
Total		72,640,000				
Exercisable at the end of the year		72,640,000				
Weighted average exercise price (HK\$)		0.52				

Note:

- Mr. Chan Cheuk Ho has resigned as an executive Director with effect from 31 May 2022 and resigned as the company secretary and authorised representative of the Company with effect from 19 March 2025.

Share options granted to consultants were incentives for helping the Group to provide professional advice in relation to the business and the operation of the Group. The fair value of such benefit could not be estimated reliably and as a result, the fair value is measured by reference to the fair value of share options granted.

The Black-Scholes pricing model was developed for use in estimating the fair value of traded options and requires input of highly subjective assumptions, including the expected life and stock price volatility. Since the Company's share options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimates, the Black-Scholes pricing model does not necessarily provide a reliable measure of the fair value of the share options.

25. STATEMENT OF FINANCIAL POSITION OF THE COMPANY AND RESERVES OF THE COMPANY

	2025 HK\$'000	2024 HK\$'000
Non-current assets		
Investments in subsidiaries	403	1
Intangible assets	5	6
	408	7
Current assets		
Other receivables	212	188
Amounts due from subsidiaries	58,453	82,448
Tax recoverable	260	260
Bank balances and cash	273	333
	59,198	83,229
Current liabilities		
Other payables	1,947	1,155
Amounts due to subsidiaries	383	–
	2,330	1,155
Net current assets	56,868	82,074
Net assets	57,276	82,081
Capital and reserves		
Share capital	132,670	132,670
Reserves	(75,394)	(50,589)
Total equity	57,276	82,081

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For the year ended 30 June 2025

25. STATEMENT OF FINANCIAL POSITION OF THE COMPANY AND RESERVES OF THE COMPANY (Continued)

The followings are the movements of the Company's reserves:

	Share premium HK\$'000	Surplus account HK\$'000	Share options reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 July 2023	454,068	70,189	19,000	(590,543)	(47,286)
Loss and total comprehensive expense for the year	–	–	–	(3,303)	(3,303)
At 30 June 2024 and 1 July 2024	454,068	70,189	19,000	(593,846)	(50,589)
Loss and total comprehensive expense for the year	–	–	–	(24,805)	(24,805)
At 30 June 2025	454,068	70,189	19,000	(618,651)	(75,394)

26. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the Company's principal subsidiaries at the end of the reporting year are as follows:

Name of subsidiary	Place of incorporation or establishment/ principal place of operation	Issued and paid-up capital/ registered capital	Percentage of ownership interest/voting power		Principal activities
			2025	2024	
Best Standard Investment Limited	Hong Kong/ Hong Kong	HK\$10,000	100%	100%	Investment holding
Real Talent Investment Limited	Hong Kong/ Hong Kong	HK\$1,000,000	100%	100%	Wholesale and distribution of electronic products
Colour Stream Holdings Limited (Note (a))	Samoa/Hong Kong	US\$100	100%	100%	Investment holding
Lizan Development Co., Limited	Hong Kong/ Hong Kong	HK\$10,000	100%	100%	Investment holding
Pine Group Limited	BVI/Hong Kong	US\$10,000 Common shares and US\$2,995,729 Class A shares	85%	85%	Investment holding

26. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY *(Continued)*

Name of subsidiary	Place of incorporation or establishment/ principal place of operation	Issued and paid-up capital/ registered capital	Percentage of ownership interest/voting power		Principal activities
			2025	2024	
PINE Technology (BVI) Limited (Note (a))	BVI/Hong Kong	US\$11,500	85%	85%	Investment holding
Soaring Eagle Technology Limited (Note (c))	BVI/Hong Kong	RMB2,191,576	–	–	Investment holding
Taiyuan Real Talent Technology Limited (Note (b))	PRC/PRC	RMB1,000,000 not fully paid up	100%	100%	Wholesale and distribution of electronic products and trading of plastic products
Shenzhen Jingrun Measurement & Monitor Technology Co., Limited (Note (d))	PRC/PRC	RMB5,000,000 not fully paid up	51%	51%	Computer software and hardware and system development service

Notes:

- (a) The Company directly holds 85% (2024: 85%) of equity interest in PINE Technology (BVI) Limited and 100% (2024: 100%) of equity interest in Colour Stream Holdings Limited. The interests of all other companies are indirectly held by the Company.
- (b) Wholly-foreign-owned enterprise registered in the PRC.
- (c) A subsidiary of Talent Crest which was disposed of during the year ended 30 June 2024 (Note 28).
- (d) A limited liability company registered in the PRC.

The Directors are of the opinion that a complete list of the particulars of all subsidiaries of the Company will be excessive length and therefore the above list contains only the particulars of subsidiaries which principally affect the result of the Group.

None of the subsidiaries had any debt securities outstanding at 30 June 2025 and 30 June 2024 or at any time during the current and prior years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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26. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY *(Continued)*

Summarised financial information in respect of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Name	Shenzhen Jingrun Measurement & Monitor Technology Co., Limited	
	2025 HK\$'000	2024 HK\$'000
Principal place of business/place of establishment	PRC/PRC	
% of ownership interests/ voting rights held by non-controlling interests ("NCI")	51%/49%	
As at 30 June		
Current assets	4,570	3,148
Non-current assets	2,382	2,666
Current liabilities	(237)	(238)
	6,715	5,576
Accumulated NCI	3,308	2,732
Year ended 30 June		
Revenue and other income	3,005	456
Profit for the year	1,165	16
Total comprehensive income/(expense) for the year	1,176	(4)
Total comprehensive income/(expense) attributable to NCI	576	(8)
Net cash inflows from operating activities	27	1,075
Net cash inflows	27	1,075

27. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Changes in liabilities arising from financing activities

The following table shows the Group's changes in liabilities arising from financing activities during the years:

	Loans from a director HK\$'000	Lease liabilities HK\$'000	Bank borrowings HK\$'000	Total HK\$'000
At 30 June 2023 and 1 July 2023	286	1,499	1,367	3,152
Change in cash flows				
– Operating activities	–	(81)	–	(81)
– Financing activities	(162)	(1,023)	(266)	(1,451)
Non-cash transactions				
– Interest expenses (Note 8)	–	81	25	106
– Disposal of subsidiaries (Note 28)	–	–	(1,126)	(1,126)
At 30 June 2024 and 1 July 2024	124	476	–	600
Change in cash flows				
– Operating activities	–	(50)	–	(50)
– Financing activities	394	(726)	–	(332)
Non-cash transactions				
– Interest expenses (Note 8)	–	50	–	50
– New lease	–	1,968	–	1,968
At 30 June 2025	518	1,718	–	2,236

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2025

28. DISPOSAL OF SUBSIDIARIES For the year ended 30 June 2024

On 21 December 2023, the Group entered into an agreement with a purchaser to dispose of 100% equity interest in Talent Crest (together with its subsidiaries, the “**Talent Crest Group**”), and the related shareholders’ loans at an aggregate cash consideration of US\$100. The disposal was completed on 22 December 2023.

On 3 April 2024, the Group entered into an agreement with a purchaser to dispose of 100% equity interest in a subsidiary, namely City Moon Limited (the “**City Moon**”, together with its subsidiaries, the “**City Moon Group**”), and the related shareholders’ loans at an aggregate cash consideration of US\$100. The disposal was completed on 3 April 2024.

Analysis of assets and liabilities over which control was lost:

	Talent Crest Group HK\$'000	City Moon Group HK\$'000	Total HK\$'000
Property, plant and equipment	98	–	98
Trade and other receivables	3,700	–	3,700
Contract assets and contract costs	221	–	221
Bank balances and cash	3,482	2	3,484
Trade and other payables	(13,659)	–	(13,659)
Amounts due to the group company	(135,733)	(10,949)	(146,682)
Contract liabilities	(527)	–	(527)
Bank borrowings	(1,126)	–	(1,126)
Tax payable	(2,475)	–	(2,475)
Net liabilities disposed of	(146,019)	(10,947)	(156,966)
Gain/(loss) on disposal of subsidiaries			
Consideration received	1	1	2
Shareholders’ loans assigned of	(135,733)	(10,949)	(146,682)
Non-controlling interests	48,471	–	48,471
Release of exchange reserve upon disposal	(1,346)	–	(1,346)
Net liabilities disposed of	146,019	10,947	156,966
	57,412	(1)	57,411
Net cash outflows arising from disposal of subsidiaries			
Cash consideration received	1	1	2
Bank balances and cash disposed of	(3,482)	(2)	(3,484)
	(3,481)	(1)	(3,482)

29. EVENTS AFTER THE REPORTING PERIOD

On 30 July 2025, MicroNova Limited (the “**Offeror**”), a company incorporated in Hong Kong with limited liability controlled by Mr. Yu Wei (“**Mr. Yu**”), entered into a sale and purchase agreement with each of (i) Sage Global Holdings Limited (the “**Sage Global**”) which is wholly and ultimately owned by Mr. Zhang Sanhuo (the “**Guarantor**”); and (ii) Ms. Yang Taomei (“**Ms. Yang**”).

Pursuant to the sale and purchase agreements, the Offeror agreed to purchase 454,163,680 and 260,000,000 issued shares of the Company (the “**Share(s)**”) from Sage Global and Ms. Yang respectively (the “**Acquisitions**”), represented 34.23% and 19.60% of the total issued share capital of the Company at a consideration of HK\$30,809,284 and HK\$17,637,725, at a price of HK\$0.068 per share and the unexercised share options of 16,860,000 shares granted to Mr. Zhang Sanhuo would be surrendered.

The Acquisitions had been completed on 30 July 2025 and the consideration was paid by the Offeror from its own resources provided by Mr. Yu. Immediately after the completion of the Acquisitions, the Offeror, Mr. Yu and parties acting in concert with any of them are interested in 714,163,680 Shares, representing approximately 53.83% of the total issued share capital of the Company. Accordingly, pursuant to Rule 26.1 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”), the Offeror is required to make a mandatory unconditional cash offer (the “**Share Offer**”) for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror, Mr. Yu and parties acting in concert with any of them). Pursuant to Rule 13.5 of the Takeovers Code, the Offeror will also make an appropriate cash offer (the “**Option Offer**”, together with the Share Offer, the “**Offers**”) to the holders of share options (the “**Share Options**”) granted by the Company to cancel all the outstanding Share Options. For details of the Offers, please refer to the announcements jointly issued by the Company and the Offeror dated 5 August 2025, 7 August 2025, 26 August 2025 and the composite document jointly issued by the Company and the Offeror dated 26 August 2025.

The Offers were closed on 16 September 2025 and were not further revised or extended by the Offeror. For details, please refer to the announcement jointly issued by the Company and the Offeror dated 16 September 2025.

30. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 30 September 2025.

FIVE YEARS FINANCIAL SUMMARY

	For the year ended 30 June				2025 HK\$'000
	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	
RESULTS					
Continuing operations					
Revenue	95,308	51,776	46,993	234,832	303,427
Cost of sales	(61,051)	(47,321)	(48,261)	(232,005)	(298,459)
Gross (loss)/profit	34,257	4,455	(1,268)	2,827	4,968
Other income	1,950	484	605	34	48
Selling and distribution expenses	(2,223)	(2,227)	(2,547)	(1,001)	(1,397)
General and administrative expenses	(56,839)	(32,919)	(30,038)	(13,819)	(17,652)
Other gains and losses, net	7,543	(45,310)	(84,333)	57,685	(1,890)
Finance costs	(1,264)	(743)	(204)	(106)	(50)
Profit/(loss) before taxation	(16,576)	(76,260)	(117,785)	45,620	(15,973)
Income tax credit/(expense)	265	1,512	10,298	(601)	(589)
(Loss)/profit for the year from continuing operations	(16,311)	(74,748)	(107,487)	45,019	(16,562)
Discontinued operation					
Profit/(loss) for the year from discontinued operation	–	8,892	(102)	–	–
(Loss)/profit for the year	(16,311)	(65,856)	(107,589)	45,019	(16,562)
As at 30 June					
	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000
ASSETS, LIABILITIES AND EQUITY					
Total assets	308,998	233,916	107,606	90,454	74,999
Total liabilities	(48,533)	(40,180)	(22,222)	(4,065)	(5,074)
	260,465	193,736	85,384	86,389	69,925
Equity attributable to owners of the Company	206,952	141,903	36,277	83,656	66,616

PINE TECHNOLOGY HOLDINGS LIMITED

松景科技控股有限公司 *

(INCORPORATED IN BERMUDA WITH LIMITED LIABILITY)

(於百慕達註冊成立之有限公司)

STOCK CODE 股份代號 1079

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