

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



RUIXIN INTERNATIONAL HOLDINGS LIMITED

瑞鑫國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 724)

INTERIM RESULTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the “**Board**”) of directors (the “**Director(s)**”) of Ruixin International Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025, together with the comparative figures for the corresponding period and selected explanatory notes as set out below.

RESULTS OVERVIEW

The Group reported no revenue for both the six months ended 30 June 2025 (the “**Reporting Period**”) and 30 June 2024 (the “**Corresponding Period**”).

Loss for the Reporting Period decreased to approximately HK\$6.0 million from approximately HK\$20.4 million for the Corresponding Period. The decrease in the loss for the Reporting Period was mainly due to the decrease in the operating loss for the electronic products business and administrative expenses, and the decrease in imputed interest expenses on convertible notes and shareholder loans. Due to the weakening of the global economic environment, worldwide tariff protection issue, the increase in interest rate and the rapid advancement, development and severe competition in the industry, as well as the poor financial situation of the Group further affected the image and confidence of the electronic products business of the Group among its customers. As a result, costs for the electronic products business in the Reporting Period went down to the basic operating cost, which resulted in the aforementioned decrease in the operating loss for the Reporting Period as compared to the Corresponding Period.

Other than the imputed interest expenses on convertible notes and shareholder loans which arose as a result of accounting treatment under the provisions of the applicable accounting standards, the Group made a loss of approximately HK\$6.0 million for the Reporting Period, as compared with a loss of approximately HK\$20.4 million for the Corresponding Period.

FINANCIAL HIGHLIGHTS

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Revenue	–	–
Gross profit	–	–
Loss for the period	(6,003)	(20,440)
Imputed interest expenses on convertible notes	(1,822)	(9,631)
Imputed interest expenses on loans from a substantial shareholder	(1,656)	(1,656)
Loss for the period before imputed interest expenses on convertible notes and loans from a substantial shareholder	(2,525)	(9,153)

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS*For the six months ended 30 June 2025*

		Six months ended 30 June	
		2025	2024
	<i>Notes</i>	HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	3	–	–
Cost of sales		–	–
Gross profit		–	–
Other income		987	5
Distribution costs		–	–
Administrative expenses		(3,068)	(8,774)
Impairment loss on right-of-use assets		–	(310)
Finance costs	4	(3,922)	(11,358)
Loss before taxation		(6,003)	(20,437)
Income tax expense	5	–	(3)
Loss for the period attributable to owners of the Company	6	(6,003)	(20,440)
Loss per share (in Hong Kong cents)	8		
Basic and diluted		(7.15)	(24.33)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period	<u>(6,003)</u>	<u>(20,440)</u>
Other comprehensive income for the period		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	<u>-</u>	<u>559</u>
Total comprehensive expenses for the period attributable to owners of the Company	<u><u>(6,003)</u></u>	<u><u>(19,881)</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	<i>Notes</i>	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	9	–	–
Right-of-use assets		–	–
		–	–
Current assets			
Inventories		–	–
Trade receivables	10	–	–
Prepayments, deposits and other receivables		910	867
Bank balances and cash		455	769
		1,365	1,636
Current liabilities			
Lease liabilities		9	220
Other payables and accruals		24,458	22,999
Loans from a substantial shareholder		37,659	23,680
Convertible notes	11	158,400	156,579
		220,526	203,478
Net current liabilities		(219,161)	(201,842)
Total assets less current liabilities		(219,161)	(201,842)
Non-current liabilities			
Lease liabilities		357	196
Loans from a substantial shareholder		–	11,603
		357	11,799
		(219,518)	(213,641)
Capital and reserves			
Share capital	12	8,402	8,402
Reserves		(227,920)	(222,043)
		(219,518)	(213,641)

Notes:

1. BASIS OF PREPARATION

The Group reported a net loss of approximately HK\$2.5 million for the six months ended 30 June 2025. As at that date, the Group had net current liabilities of approximately HK\$219.1 million, net liabilities of approximately HK\$219.5 million.

The above conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern.

The consolidated financial statements have been prepared on the assumption that the Group will continue to operate as a going concern notwithstanding the conditions prevailing as at 30 June 2025 and subsequently thereto up to the date when the consolidated financial statements are authorised for issue.

In order to mitigate the liquidity pressure, to improve its financial position, and to sustain the Group as a going concern, certain plans and measures (the "**Resumption Plan**") have been or will be taken by the Group which include, but are not limited to, the following:

(i) Share Subscription and Settlement Deed with the Substantial Shareholder

On 16 February 2026, the Company entered into a subscription and settlement deed (the "**Subscription and Settlement Deed**") with Mr. Li Weimin ("**Mr. Li**" or the "**Substantial Shareholder**") to raise gross proceeds of approximately HK\$34 million (the "**Share Subscription**"), which is subject to, including but not limited to, the shareholders' approval.

Up to 27 February 2026, based on latest management accounts, the total indebtedness of the Company amounted to approximately HK\$227.1 million, which consisted of (i) the convertible notes in the principal amount of HK\$158.4 million (the "**Convertible Notes**") issued by the Company to the Substantial Shareholder; (ii) the shareholder's loans owed to the Substantial Shareholder in the amount of approximately HK\$36.7 million (i.e. the HK Shareholders Loans (as defined below); and (iii) other outstanding indebtedness in the amount of approximately HK\$24.6 million (the "**Other Outstanding Indebtedness**").

The Company will utilise the proceeds from the Share Subscription in the amount of approximately HK\$34 million to settle the Other Outstanding Indebtedness of the Company on the completion date in full and the remaining amount will be applied towards general working capital for the continued business operations of the Group.

In addition, the Substantial Shareholder agrees that, immediately upon completion of the Share Subscription, all liabilities and/or obligations in connection with the Convertible Notes and the Shareholder's Loans will be waived and discharged in full, whereupon the Company shall have no further liability or obligation thereunder.

(ii) Financing through the Substantial Shareholder

The Company, through one of its indirect wholly-owned subsidiaries in Hong Kong, has signed a loan agreement each in 2019 (the “**2019 HK Shareholder Loan**”) and 2021 (the “**2021 HK Shareholder Loan**”) with Mr. Li for an unsecured and non-interest bearing loan of HK\$20 million for a term of two years, respectively (collectively referred as the “**HK Shareholder Loans**”).

In addition, Ruixin International Engineering Vietnam Company Limited (“**RIEV**”, being one of the indirect wholly-owned subsidiaries of the Company in Vietnam) has previously signed a loan agreement each in 2019 (the “**2019 Vietnam Shareholder Loan**”), 2021 (the “**2021 Vietnam Shareholder Loan**”), 2023 (the “**2023 Vietnam Shareholder Loan**”) and 2024 (the “**2024 Vietnam Shareholder Loan**”) with Mr. Li for an unsecured and non-interest bearing loan of VND7.3 billion (equivalent to approximately HK\$2.2 million), VND5.0 billion (equivalent to approximately HK\$1.5 million) and VND5.0 billion (equivalent to approximately HK\$1.5 million) respectively for a term of one year (collectively referred as the “**Vietnam Shareholder Loans**”) (The HK Shareholder Loans and Vietnam Shareholder Loans collectively referred as the “**Shareholder Loans**”).

On 13 August 2021, the maturity date of the 2019 HK Shareholder Loan has been extended to 3 October 2023. On 11 August 2023, the maturity date of the 2019 HK Shareholder Loan has further extended to 3 October 2025. The maturity date of the 2021 HK Shareholder Loan has been extended by another two years to 30 March 2026.

Subsequent to 30 June 2025, the Company received a letter of undertaking dated 15 August 2025 from Mr. Li (the “**Letter of Undertaking**”), pursuant to which, the maturity date of the 2019 HK Shareholder Loan and the 2021 HK Shareholder Loan have been extended to 30 March 2028.

As at the date of this announcement, the maturity date of each Vietnam Shareholder Loans has been extended to 28 August 2026, 18 February 2027, 15 January 2027 and 28 August 2026 respectively.

On 26 February 2026, the Mr. Li signed a letter of undertaking, pursuant to which the Noteholder has irrevocably undertaken in favour of the Company that, among other things, he will not request the Company to repay the outstanding principal amount of the outstanding Convertible Notes and the Shareholder Loans and to pay any default interest and other related sums from the date of the letter of undertaking and up to 30 June 2027 or the date of completion of the transactions contemplated under the Resumption Plan (whichever is earlier).

The Group will continue to seek additional financing if necessary and further extension of the shareholder’s loans from Mr. Li. He irrevocably and unconditionally undertakes and covenants to the Company that he shall withhold any demand or claims against the Company in connection with the Convertible Notes and the Shareholder Loans until the completion of the Subscription and Settlement Deed.

(iii) Financing through capital market

On 16 February 2026, the Company entered into a convertible bond subscription agreement (the “**CB Subscription Agreement**”) with an investor, an independent third party, pursuant to which the Company has conditionally agreed to issue, and the investor has conditionally agreed to subscribe for, convertible bonds in the principal amount of HK\$19 million (the “**Convertible Bonds**”), which is subject to, including but not limited to, the shareholders’ approval.

(iv) Improvement of business operation

The Company is principally engaged in the manufacturing and trading of electronic and electrical parts and components, and electronic products. Since 2021, the Company has become a trader supplier focusing on trading of electronic and electrical parts and components, and electronic products:

Since January 2026, the Company, through two of its PRC subsidiaries, engages in the trading of electronic parts and components business such as resistors and capacitors. In addition, the Company has leased e-commerce stores for online trading of electronic products and is in the process of establishing its own online store to sell electronic products (including its proprietary branded electronic products to be launched).

Further, the Company, through one of its subsidiaries in Hong Kong, engages in the trading of electronic products to mostly PRC companies (which principally engage in the provision of small home appliance supply chain and trading services, with distribution channels abroad). The electronic products are mostly finished household and consumer electronic products, such as smart home appliances and digital accessories.

Subsequent to the end of the reporting period, the Group successfully procured new sales orders from such customers in the amount of approximately not less than HK\$33 million.

The Directors have carried out a detailed review of the Group's cash flow projections prepared by management. The cash flow projections cover a period of not less than twelve months from 1 January 2026. On the basis of the successful implementation of the plans and measures as described above in the foreseeable future, the Directors are of the opinion that the Group will have sufficient working capital (including the proceeds from the Share Subscription after settling the Other Outstanding Indebtedness and proceeds from the issue of the Convertible Bonds) to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2024. Accordingly, the Directors are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether management of the Group is able to achieve its plans and measures as described above which have incorporated assumptions about future events and conditions that are subject to inherent uncertainties.

Whether the Group will be able to continue as a going concern would depend upon the following:

- (i) whether the Subscription and Settlement Deed will be completed and duly executed;
- (ii) whether the CB Subscription Agreement will be completed and duly executed;
- (iii) whether Mr. Li will provide continuous funding to the Group, as and when needed to meet the Group's working capital, and
- (iv) whether the Group can continue to improve its operational performance.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue in business as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements of the Group for the six months ended 30 June 2025.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21	The effects of changes in foreign exchange rates – Lack of exchangeability
-----------------------	--

The Group has not applied any new or revised HKFRSs that are not yet effective for the current interim period.

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

3. REVENUE AND SEGMENT INFORMATION

Revenue represents revenue (net of discounts and sales related taxes) arising on trading of electronic and electrical parts and components and electronic products and is recognised at a point in time.

The Group's operation is mainly located in Hong Kong and the People's Republic of China (the “**PRC**” or **China**”). However, the external customers of the Group are located world-wide, such as Hong Kong, the PRC and Asia Pacific etc..

4. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Imputed interest expenses on convertible notes (<i>Note 11</i>)	1,822	9,631
Imputed interest expenses on loans from a substantial Shareholder	1,656	1,656
Interest expense on lease liabilities	444	71
	<u>3,922</u>	<u>11,358</u>

5. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax:		
Hong Kong Profits Tax	–	–
The People's Republic of China Enterprise Income Tax	–	3
Vietnam Corporate Income Tax	–	–
	<u>–</u>	<u>–</u>
	<u>–</u>	<u>3</u>

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. For the six months ended 30 June 2025 and 2024, Hong Kong Profits Tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other Group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made for the six months ended 30 June 2025 and 2024 as the Group has no assessable profits arising in Hong Kong for both reporting periods.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the Reporting Period and the Corresponding Period. No provision for Enterprise Income Tax has been made for the years ended 31 December 2024 and 2023 as the Group has PRC subsidiary has no assessable profits for both reporting periods.

Under the Law of Vietnam on Corporate Income Tax (the “**Vietnam Corporate Tax**”), the tax rate of the subsidiary registered in Vietnam is 20%. No provision for the Vietnam Corporate Tax has been made for the six months ended 30 June 2025 and 2024 as the Vietnam subsidiary has no assessable profits for both reporting periods.

6. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging (crediting):

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Bank interest income	–	(5)
Depreciation of property, plant and equipment	–	37
Net exchange loss (gain)	(934)	408
	<u>(934)</u>	<u>408</u>

7. DIVIDENDS

No dividends were paid, declared or proposed during the interim period. The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

8. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the period attributable to owners of the Company of approximately HK\$6,003,000 (six months ended 30 June 2024: HK\$20,440,000) and the weighted average number of approximately 84,017,000 (six months ended 30 June 2024: 84,017,000) ordinary shares in issue during the six months ended 30 June 2025.

For the six months ended 30 June 2025 and 2024, the diluted loss per share is the same as the basic loss per share.

The computation of diluted loss per share for the six months ended 30 June 2025 and 2024 did not assume the conversion of the Company's outstanding convertible notes as the conversion of convertible notes would result in a decrease in loss per share.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group had no spendings (six months ended 30 June 2024: HK\$464,000) on addition of leasehold improvements and others.

10. TRADE RECEIVABLES

The Group allows an average credit period of 30 to 120 days (31 December 2024: 30 to 120 days) to its trade customers.

The following is an ageing analysis of trade receivables, net of impairment, presented based on the due date at the end of the reporting periods:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Current	<u> -</u>	<u> -</u>

11. CONVERTIBLE NOTES

On 16 November 2009, the Company issued unsecured convertible notes for the partial settlement of the consideration for the acquisition of CITIC Logistics (International) Company Limited (liquidated). Details of the transaction are set out in the Company's circular dated 16 October 2009. The sole holder of the convertible notes, Mr. Li Weimin ("Mr. Li"), is a substantial shareholder of the Company.

Details of the Group's convertible notes outstanding as at 30 June 2025 and 2024 are set out below:

Date of issue	:	16 November 2009
Original principal amount	:	HK\$950,400,000
Date of modification	:	10 November 2022
Remaining principal amount	:	HK\$158,400,000
Coupon rate	:	Nil
Conversion price	:	HK\$1.00 per New Share
Conversion period	:	The period commencing from the date of modification of the convertible notes and ending on the maturity date
Collaterals	:	Nil
Maturity date	:	31 January 2025

Subject to the occurrence of an event of default (as defined in the terms and conditions of the convertible notes), the convertible notes may be redeemed in amounts of HK\$100,000 or integral multiples thereof at the option and in the absolute discretion of the Company on any business day prior to the maturity date by giving not less than seven days notice to the holder of the convertible notes.

The convertible notes contain two components, being liability and equity components. The equity component is presented in equity under the heading of convertible notes reserve. The effective interest rate of the liability component of the convertible notes is 14.38% (2024: 14.38%) per annum. The liability and equity components of the convertible notes were measured at fair values at the date of modification (refer to the paragraphs below) and the valuation was determined by an independent valuer.

On 14 November 2014, the Company and Mr. Li entered into a deed of variation, pursuant to which it was agreed that, subject to the fulfillment of conditions precedent, (i) the maturity date of the then outstanding convertible notes with an aggregate principal amount of HK\$302,400,000 would be extended from 15 November 2014 to 31 December 2016; and (ii) the original conversion price of HK\$0.12 per share would be adjusted to the conversion price of HK\$0.035 per share. Save for the above alterations, all other terms and conditions of the then outstanding convertible notes remained unchanged. On 9 January 2015, the relevant ordinary resolution was duly passed at the special general meeting and the extension of the maturity date and the adjustment of the conversion price of the then outstanding convertible notes became effective. For details, please refer to the announcements of the Company dated 14 November 2014, 17 November 2014 and 9 January 2015, as well as the circular of the Company dated 19 December 2014 and the Company's annual report for the year ended 31 December 2015.

Convertible notes of the Company with an aggregate principal amount of HK\$42,000,000 were converted into 1,199,999,998 ordinary shares of HK\$0.01 each at a conversion price of HK\$0.035 per share on 4 June 2015.

On 14 December 2016, the Company and Mr. Li entered into a deed of further variation, pursuant to which it was agreed that, subject to the fulfillment of conditions precedent, the maturity date of the then outstanding convertible notes with an aggregate principal amount of HK\$260,400,000 would be extended from 31 December 2016 to 31 January 2019. Save for the above alteration, all other terms and conditions of the then outstanding convertible notes remained unchanged. On 16 January 2017, the relevant ordinary resolution was duly passed at the special general meeting and the extension of the maturity date of the then outstanding convertible notes became effective. For details, please refer to the announcements of the Company dated 14 December 2016 and 16 January 2017, as well as the circular of the Company dated 29 December 2016 and the Company's annual report for the year ended 31 December 2017.

On 12 November 2018, the Company and Mr. Li entered into a deed of further variation, pursuant to which it was agreed that, subject to the fulfillment of conditions precedent, (i) the maturity date of the remaining convertible notes with an aggregate principal amount of HK\$158,400,000 would be extended from 31 January 2019 to 31 January 2022; and (ii) the conversion price of HK\$0.035 per share would be adjusted to the conversion price of HK\$0.011 per share. Save for the above alterations, all other terms and conditions of the remaining convertible notes remained unchanged. On 28 December 2018, the relevant ordinary resolution was duly passed at the special general meeting. On 31 December 2018, the extension of the maturity date and the adjustment of the conversion price of the remaining convertible notes became effective. For details, please refer to the announcements of the Company dated 12 November 2018, 28 December 2018 and 31 December 2018, as well as the circular of the Company dated 11 December 2018 and the Company's annual report for the year ended 31 December 2018.

Convertible notes of the Company with an aggregate principal amount of HK\$102,000,000 were converted into 2,914,285,714 ordinary shares of HK\$0.01 each at a conversion price of HK\$0.035 per share on 31 December 2018.

As a result of the share consolidation in 2019 (every twenty issued and unissued ordinary shares with a par value of HK\$0.01 each in the share capital of the Company were consolidated into one ordinary share with a par value of HK\$0.20 each) and under the terms and conditions of the convertible notes, the conversion price of the outstanding convertible notes was adjusted from HK\$0.011 per share to HK\$0.22 per share with effect from the close of business in Hong Kong on 22 May 2019.

As a result of the capital reorganisation in 2022 and under the terms and conditions of the convertible notes, the conversion price of the outstanding convertible notes was adjusted from HK\$0.22 per share to HK\$2.20 per New Share with effect from the close of business in Hong Kong on 8 November 2022.

On 11 August 2022, the Company and Mr. Li entered into a deed of further variation, pursuant to which it was agreed that, subject to the fulfillment of conditions precedent, (i) the maturity date of the outstanding convertible notes with an aggregate principal amount of HK\$158,400,000 would be extended from 31 January 2022 to 31 January 2025; and (ii) the adjusted conversion price of HK\$2.20 per New Share would be further adjusted to the conversion price of HK\$1.00 per New Share. On 7 November 2022, the relevant ordinary resolution was duly passed at the special general meeting. On 10 November 2022, the extension of the maturity date and the adjustment of the adjusted conversion price of the outstanding convertible notes became effective. For details, please refer to the announcements of the Company dated 11 August 2022, 7 November 2022 and 10 November 2022, as well as the circular of the Company dated 13 October 2022 and the 2022 Annual Report. Based on the conversion price of HK\$1.00 per share, the outstanding convertible notes with an aggregate principal amount of HK\$158,400,000 will be convertible into 158,400,000 ordinary shares of HK\$0.10 each.

The extension of the maturity date and the adjustment of the adjusted conversion price resulted in the extinguishment of the financial liability of the convertible notes and related equity component and the recognition of new financial liability and equity components. The carrying values of liability component and equity component of the convertible notes immediately before modification were approximately HK\$158,400,000 and HK\$41,814,000 respectively. According to a valuation report issued by an independent valuer not connected with the Group, the fair values of the new liability component and equity component immediately following the modification are approximately HK\$105,843,000 and HK\$5,644,000 respectively. These caused an increase of approximately HK\$52,557,000 in other reserve in the consolidated statement of changes in equity, a transfer of approximately HK\$47,743,000 between other reserve and accumulated losses, and a transfer of a net amount of approximately HK\$36,170,000 between the convertible notes reserve and accumulated losses with no profit or loss impact during the year ended 31 December 2022.

On 26 February 2026, Mr. Li signed an irrevocable commitment letter confirming that, among other things, he would not demand payment in respect of the remaining principal of HK\$158,400,000 and waive all the default interest, if any, from the date of the letter of undertaking up to 30 June 2027 or the date of completion of the transactions contemplated under the Resumption Plan (as defined below) (whichever is earlier).

Movements of the liability and equity components of the convertible notes for the period ended 30 June 2025 and 31 December 2024 are set out below:

	Liability component <i>HK\$'000</i>	Equity component <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 January 2024	156,579	5,644	162,223
Imputed interest charged to the consolidated statement of profit or loss (<i>Note 4</i>)	1,822	–	1,822
As at 31 December 2024	158,401	5,644	164,045

As at 30 June 2025, the principal amount of convertible notes remained outstanding is HK\$158,400,000 (31 December 2024: HK\$158,400,000).

12. SHARE CAPITAL

	Number of shares <i>'000</i>	<i>HK\$'000</i>
Authorised ordinary shares of HK\$0.10 (31 December 2024: HK\$0.10) each:		
At 1 January 2024, 31 December 2024 and 30 June 2025	6,000,000	600,000
Issued and fully paid ordinary shares of HK\$0.10 (31 December 2024: HK\$0.10) each:		
At 1 January 2024, 31 December 2024 and 30 June 2025	84,017	8,402

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT

The auditor's opinion on the Group's consolidated financial statements for the year ended 31 December 2024 is as follows:

Disclaimer of Opinion

We do not express an opinion on the consolidated financial statements of the Group for the year ended 31 December 2024. Because of the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effect on the consolidated financial statements as described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

Multiple uncertainties relating to going concern

As explained in note 1 to the consolidated financial statements in this announcement, as at 31 December 2024, the Group had net current liabilities of approximately HK\$201,842,000, and net liabilities of approximately HK\$213,641,000 and incurred a net loss of approximately HK\$41,747,000 and had net cash outflows from operating activities of approximately HK\$10,780,000 during the year ended 31 December 2024. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Notwithstanding the abovementioned, the consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcome of the Group's plans and measures to mitigate its liquidity pressure and to improve its financial performance as set out in note 1 to the consolidated financial statements in this announcement. The successful outcomes of the abovementioned plans and measures are subject to multiple uncertainties.

As a result of the multiple uncertainties, their potential interaction and the possible cumulative effect thereof, we are unable to form an opinion as to whether the going concern basis of preparation of these consolidated financial statements as adopted by the directors of the Company is appropriate. Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned in note 1 to the consolidated financial statements in this announcement, it might not be able to operate as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their net realisable amounts, to provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements of the Group for the year ended 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Business and Financial Review

Due to the weakening global economic environment – stemming from COVID-19’s lingering effects, escalating worldwide tariff protectionism, and interest rate hikes since 2023 that only began tapering lately, as well as the rapid advancement and development in the industry, the competition in the industry has been severe. As the Group’s major products are mainly electronic and electrical components, which are mature and fully developed products with low entry barriers and keen price competition, the lack of competitiveness when working capital was insufficient has made business difficult. In particular, customers nowadays expect to have short lead time with rapid product development and product delivery, they tend to work with manufacturer suppliers to get a closer and quicker response in respect of products development, which seriously reduced the Group’s competitiveness. The electronic products business reported nil revenue for both the Reporting Period and the Corresponding Period, primarily due to, among other things, orders lost as the Group’s products were unable to be competitive, and the then management staff were unable to catch up with changes, leading to no order being received at the material times. The decrease in the loss for the Reporting Period was mainly due to the decrease in the operating expenses for the electronic products business, which is partly offset by the increase in imputed interest expenses on convertible notes and shareholder loans.

As at 30 June 2025 and the date of this announcement, the principal amount of the convertible notes that remains outstanding is HK\$158.4 million (the “**Outstanding Convertible Notes**”) convertible into 158,400,000 ordinary shares of HK\$0.10 each at a conversion price of HK\$1.00 per share and the maturity date is 31 January 2025. During the Reporting Period, as part of the measures to improve its financial position, the Company negotiated with the noteholder of the Outstanding Convertible Notes (the “**Noteholder**”, namely Mr. Li Weimin (“**Mr. Li**”, a substantial shareholder (as defined in the Listing Rules) of the Company)) to further extend the maturity date of the Outstanding Convertible Notes. Subsequent to the Reporting Period, in light of the Resumption Plan (as defined in the section headed “EVENTS AFTER REPORTING PERIOD” of this announcement), the Noteholder has signed a letter of undertaking dated 26 February 2026, pursuant to which the Noteholder has irrevocably undertaken in favour of the Company that he will not, among other things, request the Company to repay the outstanding principal amount of the Outstanding Convertible Notes and to pay any default interest and other related sums from the date of the letter of undertaking and up to 30 June 2027 or the date of completion of the transactions contemplated under the Resumption Plan (whichever is earlier).

The Company, through one of its indirect wholly-owned subsidiaries in Hong Kong, has signed a loan agreement each in 2019 (the “**2019 HK Shareholder Loan**”) and 2021 (the “**2021 HK Shareholder Loan**”, together with the 2019 HK Shareholder Loan, the “**HK Shareholder Loans**”) with Mr. Li for an unsecured and non-interest bearing loan of HK\$20 million for a term of two years, respectively. As at the date of this announcement, the Company has received the full amount of the 2019 HK Shareholder Loan, and the amount of the 2021 HK Shareholder Loan that remains outstanding is approximately HK\$3.2 million. The HK Shareholder Loans have been extended several times and subsequent to the Reporting Period, the Company received extension letters for the HK Shareholder Loans, pursuant to which the maturity date of each of the 2019 HK Shareholder Loans and the 2021 HK Shareholder Loans has been extended to 3 October 2027 and 30 March 2028, respectively. The Company will continue to seek further extension of the HK Shareholder Loans from Mr. Li as and when required.

In addition, Ruixin International Engineering Vietnam Company Limited (“**RIEV**”, being one of the indirect wholly-owned subsidiaries of the Company in Vietnam) has previously signed a loan agreement each in 2019 (the “**2019 Vietnam Shareholder Loan**”), 2021 (the “**2021 Vietnam Shareholder Loan**”) and 2023 (the “**2023 Vietnam Shareholder Loan**”) with Mr. Li for an unsecured and non-interest bearing loan of VND7.3 billion (equivalent to approximately HK\$2.2 million), VND5.0 billion (equivalent to approximately HK\$1.5 million) and VND5.0 billion (equivalent to approximately HK\$1.5 million) respectively for a term of one year. As at the date of this announcement, as far as the Company is aware, the full amount of the 2019 Vietnam Shareholder Loan, 2021 Vietnam Shareholder Loan and 2023 Vietnam Shareholder Loan has been received in full and each of the maturity date thereof has been extended to 28 August 2026, 18 February 2027 and 15 January 2027, respectively. During the Reporting Period, the Company has signed another loan agreement with Mr. Li for an unsecured and non-interest bearing loan of VND5.0 billion (equivalent to approximately HK\$1.5 million) for a term of one year (the “**2024 Vietnam Shareholder Loan**”) (all together, “**Vietnam Shareholder Loans**”). As at the date of this announcement, the amount of 2024 Vietnam Shareholder Loan received by the Company was approximately VND2.4 billion (equivalent to HK\$0.7 million) and the maturity date has been extended to 28 August 2026. The Company will continue to seek further extension of the Vietnam Shareholder Loans from Mr. Li as and when required.

The Group incurred a loss of approximately HK\$6.0 million for the Reporting Period, and had net current liabilities of approximately HK\$219.2 million, net liabilities of approximately HK\$219.5 million and bank balances and cash of approximately HK\$0.5 million as at 30 June 2025. These conditions indicate that material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern.

However, as at 30 June 2025, if the Outstanding Convertible Notes, the current portion of shareholder loans (in both Hong Kong and Vietnam) and the remunerations payable to the chairman of the Company (as included in other payables and accruals) were excluded from current liabilities, net current liabilities of the Group would be reduced to approximately HK\$13.3 million.

As at 30 June 2025, the Group had no bank borrowings, and the Outstanding Convertible Notes, the shareholder loans and the remunerations payable to the chairman of the Company accounted for approximately 93.8% of total liabilities. Excluding the Outstanding Convertible Notes, the shareholder loans and the remunerations payable to the chairman of the Company, net liabilities of the Group would be reduced to approximately HK\$13.6 million. As the Noteholder is a substantial shareholder of the Company and has been providing shareholder loans to support its continuous operation, the Company confirmed that the Noteholder will not request the Company to redeem the Outstanding Convertible Notes and repay the shareholder loans upon maturity causing the Company insolvent (as supported by the letter of undertaking dated 26 February 2026 and the extension of maturity date of shareholder loans from time to time).

To improve the financial position and support future development of the Group, the Company's financial advisor (the "**Financial Adviser**") has been assisting the Company in exploring avenues to raise funds by equity financing during the Reporting Period. As announced by the Company on 29 May 2024, throughout the year ended 31 December 2023, the Financial Adviser had been soliciting various potential investors in respect of the proposed equity fund raising and had substantive discussions with a handful of them. For each of the potential investors, a distinctive fundraising plan was being negotiated between the Financial Adviser and the potential investor. However, no definitive agreement has been entered into as at 31 December 2024.

Notwithstanding, subsequent to the Reporting Period and as at the date of this announcement, the Company, with the assistance from the Financial Adviser, has been implementing the Resumption Plan comprising, among other things, entered into a subscription and settlement deed with the Mr. Li and entered into a convertible bonds subscription agreement with an investor (for further details, please refer to the section headed "EVENTS AFTER REPORTING PERIOD").

Based on the information currently available to the Board, the Directors and the audit committee of the Company (the "**Audit Committee**") are of the view that with the continuous support from Mr. Li and upon completion of the Resumption Plan, the Group will have sufficient financial resources to continue as a going concern. Accordingly, the condensed consolidated financial statements for the Reporting Period have been prepared on a going concern basis. However, the Company wishes to highlight that the successful outcome of the aforementioned is subject to, among other things, the successful implementation of the Resumption Plan and revitalisation of the business operation of the Group. For more details about the going concern basis of the Group, please refer to note 1 to the condensed consolidated financial statements in this announcement.

Liquidity, Financial Resources and Capital Structure

The Group mainly finances its business operations with internally generated cash flows and other sources.

As at 30 June 2025, the Group had bank balances and cash of approximately HK\$0.5 million (31 December 2024: HK\$0.8 million). The Group's current ratio (measured as total current assets to total current liabilities) was 0.006 times (31 December 2024: 0.008 times).

As at 30 June 2025, the Company had outstanding zero coupon convertible notes due on 31 January 2025 with an aggregate principal amount of HK\$158.4 million (31 December 2024: HK\$156.6 million) and a conversion price of HK\$1.00 (31 December 2024: HK\$1.00) per share.

As at 30 June 2025, the Group had no outstanding bank borrowings (31 December 2024: nil) and loans from a substantial shareholder of approximately HK\$37.7 million (31 December 2024: HK\$23.7 million) which is unsecured, non-interest bearing and repayable on maturity. The gearing ratio, which is calculated by total interest bearing borrowings to total equity, was nil as at 30 June 2025 and 31 December 2024.

As at 30 June 2025, the Group had no capital expenditure commitments (31 December 2024: nil).

Significant Investments

The Group did not have any significant investments during the Reporting Period.

Material Acquisitions and Disposals of Subsidiaries and Associated Companies

The Group did not have any material acquisitions or disposals of subsidiaries and associated companies during the Reporting Period.

Charge on Group's Assets

As at 30 June 2025, the Group did not have any assets pledged (31 December 2024: nil).

Foreign Exchange Exposures

The Group mainly earns revenue and incurs costs in Hong Kong dollars, U.S. dollars and Renminbi (“RMB”) and Vietnamese Dong (“VND”). The management is aware of the possible exchange rate exposure resulted from the fluctuation of RMB against the Hong Kong dollars and will closely monitor its impact on the performance of the Group to determine if any hedging policy is necessary. With regard to the U.S. dollars, foreign exchange exposure would be minimal so long as the Hong Kong SAR Government's policy to peg the Hong Kong dollars to the U.S. dollars remains in effect.

Contingent Liability

As at 30 June 2025, the Group did not have any significant contingent liabilities.

Employee and Remuneration Policy

As at 30 June 2025, the Group had 9 (30 June 2024: 19) full time employees in Hong Kong, the People's Republic of China (the “PRC” or China) and Vietnam. Total staff costs (including Directors' remuneration) for the Reporting Period amounted to approximately HK\$1.5 million (six months ended 30 June 2024: HK\$6.6 million). The employees (including Directors) are remunerated with reference to the qualification, experience, responsibility and performance of the individual, the performance of the Group and the market practices. The Company provides the basic remuneration package, the mandatory provident fund scheme, the central provident scheme in the PRC and the state pension scheme in Vietnam.

Future Outlook

Due to the weakening global economic environment – stemming from COVID-19’s lingering effects, escalating worldwide tariff protectionism, and interest rate hikes since 2023 that only began tapering lately, as well as the rapid advancement and development in the industry, the competition in the industry has been severe. In particular, the business operation of the Group has been facing difficulties, details of which has been published in the announcement of the Company dated 29 May 2024. While the Group’s electronic products business is facing challenges, the Company has been seeking and exploring business opportunities in Vietnam to improve the prospect of the Group during the Reporting Period.

While the business operation of the Group has been limited due to the lack of sales order and termination of staff in its then major operating subsidiary during the Reporting Period, with the assistance from the Financial Adviser, the Group has been actively researching on various products and markets, seeking to rebuild its operation teams and with the necessary funding to revitalise its business operations by focusing on the trading of electronic products with higher margin.

As at the date of this announcement, the Group, through one of its existing subsidiaries, has successfully procured new sales orders from customers in the PRC, principally engaged in the provision of small home appliance supply chain and trading services with distribution channels abroad. In addition to the above, the Company also set up two PRC subsidiaries as separate operating arms to continue with its trading of electronic parts and components business. The Company will be initially focusing on electronic components such as resistors and capacitors, which in general offer reasonable margin.

As part of its expansion strategy, the Company has successfully leased e-commerce stores, commenced online trading of electronic products and generated initial revenue. The Company intends to launch its proprietary branded electronic products through these online channels. Concurrently, the Company has applied to establish its own online store, with approval pending and expected by March 2026. The Group will continue to pursue alternative business approaches to mitigate these challenges while presenting a credible growth strategy to stakeholders.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

EVENTS AFTER REPORTING PERIOD

As disclosed in the announcement of the Company dated 2 September 2024, the Company was not able to publish the interim results announcement for the six months ended 30 June 2024 on or before 30 August 2024 pursuant to the relevant requirements under the Listing Rules. Accordingly, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 2 September 2024, pending for the publication of such announcement.

On 20 November 2024 and 3 September 2025, the Company received letters from the Stock Exchange setting out guidance for the resumption of trading in shares of the Company on the Stock Exchange (the “**Resumption Guidance**”). Pursuant to the Resumption Guidance, the Company shall:

- (a) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (b) demonstrate the Company’s compliance with Rule 13.24;
- (c) re-comply with Rules 3.10(1), 3.10(2), 3.21, 3.27A and 3.28; and
- (d) inform the market of all material information for the Company’s shareholders and investors to appraise its position.

Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 1 March 2026. If the Company fails to remedy the issues causing its trading suspension, fulfil the Resumption Guidance and fully comply with the Listing Rules to the Stock Exchange’s satisfaction and resume trading in its shares by 1 March 2026, the Listing Division of the Stock Exchange will recommend the Listing Committee of the Stock Exchange to proceed with the cancellation of the Company’s listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

Resumption Plan

As the revamped business is coming to shape with new management in place and are performing, both the Company and the Mr. Li (as the substantial shareholder of the Company) are desirous that the Company should seek to fulfil the Resumption Guidance and that the Company should remain listed for the benefit of all the shareholders of the Company. In light of the above, the Company and Mr. Li have contemplated the following resumption plan (the “**Resumption Plan**”) including, among other things:

- (i) on 16 February 2026, the Company entered into a subscription and settlement deed (the “**Subscription and Settlement Deed**”) with Mr. Li to, among other things, raise fund of approximately HK\$34 million (the “**Share Subscription**”) and implement certain debt settle arrangement of the Group. The Company will utilise the proceeds from the Share Subscription to settle the certain outstanding indebtedness of the Group on the completion date in full and the remaining amount will be applied towards general working capital for the continued business operation of the Group. In addition, Mr. Li agrees that, immediately upon completion of the Share Subscription, all liabilities and/or obligations in connection with the Outstanding Convertible Notes and the shareholder’s loans in Hong Kong will be waived and discharged in full, whereupon the Company shall have no further liability or obligation thereunder; and

- (ii) on 16 February 2026, the Company entered into a convertible bonds subscription agreement with an investor (being a third party independent to the Company and its connected person) to, among other things, raise additional fund of HK\$19 million (the “**CB Subscription**”). It is expected that the proceeds from the CB Subscription shall be used as general working capital for the continued business operation of the Group.

Further details of the transactions under the Resumption Plan will be published by way of separate announcement(s) by the Company in due course.

Status of fulfilment of the Resumption Guidance

Resumption Guidance (a) – publish all outstanding financial results required under the Listing Rules and address any audit modifications

It is expected that all the outstanding financial results required under the Listing Rules (i.e. the interim results for the six months ended 30 June 2024 and 30 June 2025 and the annual results for the year ended 31 December 2024) will be published on 27 February 2026. It is also expected that the annual results announcement for the year ended 31 December 2025 will be published on or before 31 March 2026 pursuant to the relevant requirements under the Listing Rules.

The Company expects that the disclaimer of opinion in auditors’ report dated 28 March 2024 on the consolidated financial statements of the Company for the year ended 31 December 2023 in respect of the multiple uncertainties relating to the going concern basis of the Company will be addressed by the completion of the Resumption Plan and be removed in the annual results for the year ended 31 December 2025.

Accordingly, the Company is of the view that it will fulfill this Resumption Guidance following the completion of the Resumption Plan.

Resumption Guidance (b) – demonstrate the Company’s compliance with Rule 13.24

As at the date of this announcement, the Company respectfully submits that it has successfully revitalised its business operation. Based on the latest information available, the Company expects to recognise unaudited revenue of approximately HK\$38 million for the year ended 31 December 2025.

In addition, following the completion of the Resumption Plan, it is expected that the Group will return to a net asset position with sufficient funding (net proceeds from the Share Subscription and CB Subscription after settling the certain outstanding indebtedness) to continue its business operation.

Accordingly, the Company is of the view that it is on track to fulfill this Resumption Guidance following the publication of the annual results for the year ended 31 December 2025 and completion of the Resumption Plan.

Resumption Guidance (c) – re-comply with Rules 3.10(1), 3.10(2), 3.21, 3.27A and 3.28

With reference to the announcements of the Company dated 5 December 2024 and 13 February 2026, the Company appointed (i) Ms. Lai Pik Chi Peggy as the company secretary of the Company with effect from 5 December 2024; (ii) Ms. Zhang Xiaofen and Mr. Zhu Lianhai as the independent non-executive directors of the Company, members of the audit committee (the “**Audit Committee**”), remuneration committee and nomination committee of the Company; and (iii) Mr. Zhang Jue (who has appropriate professional qualifications or accounting or related financial management expertise) as the chairman of the Audit Committee. Accordingly, the Company is of the view that it has fulfilled this Resumption Guidance.

Resumption Guidance (d) – inform the market of all material information for the Company’s shareholders and investors to appraise its position

The Company has kept its shareholders and investors informed of all material information relating to the Company since the suspension of trading in its shares by way of, among other things, publishing quarterly update announcements on resumption progress. Accordingly, the Company is of the view that it has fulfilled this Resumption Guidance.

Save for disclosed in this announcement, there was no material event which could have material impact to the Group’s operating and financial performance after the Reporting Period and up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

During the Reporting Period, the Company has applied the principles of and complied with the code provisions (the “**Code Provision(s)**”) set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 of the Listing Rules except for the following deviation:

The Company failed to timely publish the audited financial statements for the year ended 31 December 2024 and lay the audited 2024 financial statements at the 2025 annual general meeting of the Company in accordance with Rules 13.46 and 13.49 of the Listing Rules, and failed to timely publish its environmental, social and governance report for the same period covered in the 2024 annual results under Rule 13.91 of the Listing Rules and the unaudited 2024 interim results in accordance with Rules 13.48 and 13.49 of the Listing Rules. The Company has been reviewing and closely monitoring its internal control systems to avoid delay in publication of its periodic financial and non-financial information under the Listing Rules in the future.

The Directors will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision making process are regulated in a proper and prudent manner.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of the Directors, all the Directors confirmed that they had complied with the required standards as set out in the Model Code during the Reporting Period.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with management of the Company the accounting principles and practices adopted by the Group, and discussed auditing, internal control and financial reporting matters including the review of the unaudited condensed consolidated interim financial statements for the Reporting Period.

The members of the Audit Committee are Mr. Zhang Jue (the chairman of the Audit Committee), Ms. Zhang Xiaofen and Mr. Zhu Lianhai, the independent non-executive Directors.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the Company’s website at <http://www.irasia.com/listco/hk/ruixin> and the website of the Stock Exchange. The Company’s interim report for the six months ended 30 June 2025 will be despatched to the shareholders of the Company and will be available at the above websites in due course.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company has been suspended with effect from 9:00 am on 2 September 2024 and will remain suspended until the Company fulfils the Resumption Guidance.

By order of the Board
Ruixin International Holdings Limited
Li Yang
Chairman

Hong Kong, 27 February 2026

As at the date of this announcement, the Board comprises Ms. Li Yang (Chairman) and Mr. Yang Junjie as executive Directors; and Mr. Zhang Jue, Ms. Zhang Xiaofen and Mr. Zhu Lianhai as independent non-executive Directors.