



(HKEX Stock Code: 1263)

(SGX-ST Stock Code: PCT)

栢能集團有限公司*

PC Partner Group Limited

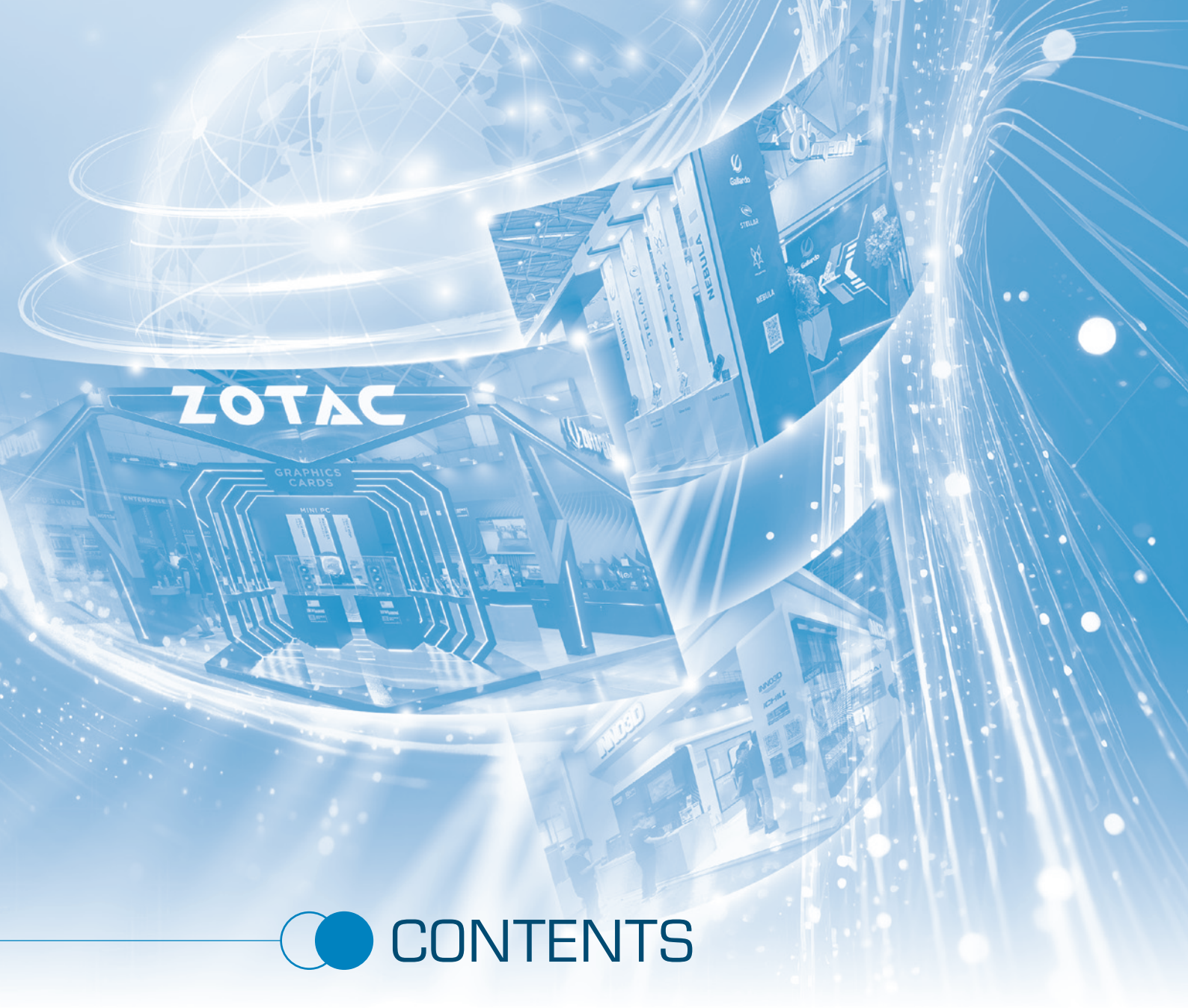
(Incorporated in the Cayman Islands with limited liability)



INTERIM REPORT

2025

* For identification purpose only



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Company Profile

PC Partner is a leading manufacturer of computer electronics. Our key products are video graphics cards ("VGA Cards"), motherboards and mini-PCs. We are also offering one-stop electronic manufacturing services ("EMS") to reputable brands all over the world.

As one of the leaders in the industry, we leverage our extraordinary research and development capabilities and state-of-the-art production facilities to constantly bring new product ideas and leading-edge innovations to the market. We endeavor to stay ahead of the industry to ensure success and competitiveness in serving the needs of our customers.

BOARD OF DIRECTORS

Executive Directors

Mr. WONG Shik Ho Tony
(Chairman and Chief Executive Officer)
Mr. WONG Fong Pak (Executive Vice President)
Mr. LEUNG Wah Kan (Chief Operation Officer)
Mr. HO Nai Nap
Mr. MAN Wai Hung

Non-executive Director

Mrs. HO WONG Mary Mee-Tak

Independent Non-executive Directors

Ms. CHAN Yim
Mr. CHUA Ser Miang
Mr. Jason GOH Hseng Wei
Mr. KONG Chee Keong
Ms. Alicia KWAN Xiuying
Prof. LOW Teck Seng
Mr. TEO Chun-Wei, Benedict

BOARD COMMITTEES

Audit Committee

Mr. CHUA Ser Miang (Chairman)
Mr. KONG Chee Keong
Ms. Alicia KWAN Xiuying

Executive Committee

Mr. WONG Shik Ho Tony (Chairman)
Mr. WONG Fong Pak
Mr. LEUNG Wah Kan
Mr. HO Nai Nap
Mr. MAN Wai Hung

Remuneration Committee

Ms. CHAN Yim (Chairman)
Mr. Jason GOH Hseng Wei
Mr. TEO Chun-Wei, Benedict

Nomination Committee

Prof. LOW Teck Seng (Chairman)
Ms. CHAN Yim
Mr. TEO Chun-Wei, Benedict

COMPANY SECRETARY

Ms. LEE Yuet Wan

AUTHORIZED REPRESENTATIVES

Mr. WONG Shik Ho Tony
Ms. LEE Yuet Wan

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REGISTERED OFFICE

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Regatta Office Park
P.O. Box 1350
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Cayman Islands

PRINCIPAL PLACES OF BUSINESS

Singapore Headquarters

#11-27, West Tower, 20 Pasir Panjang Road
Mapletree Business City
Singapore 117439

Hong Kong

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Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3
Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

BRANCH SHARE REGISTRARS AND TRANSFER OFFICES

Singapore

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77 Robinson Road
#06-03 Robinson 77
Singapore 068896

Hong Kong

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Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
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Hong Kong

PRINCIPAL BANKERS

Singapore

The Hongkong and Shanghai Banking Corporation
Limited
Standard Chartered Bank (Singapore) Limited
United Overseas Bank Limited

Hong Kong

The Hongkong and Shanghai Banking Corporation
Limited
Hang Seng Bank Limited
Standard Chartered Bank (Hong Kong) Limited

WEBSITE

www.pcpartner.com

Management Discussion and Analysis

BUSINESS REVIEW

The Group manufactures VGA Cards for Original Design Manufacturer/Original Equipment Manufacturer (“ODM/OEM”) customers and also manufactures and markets VGA Cards and other products under its own brands, namely ZOTAC, Inno3D and Manli. The Group’s ODM/OEM contract manufacturing business, serving a global customer base, includes several top-tier computer brands based on customer specifications. For products under own brands, the Group sells to more than 70 countries across various regions, either directly from the headquarters or through the Group’s subsidiaries in Hong Kong, Japan, Korea, the PRC and the United States of America (“U.S.A.”). These subsidiaries act as importers and regional service centers for their respective regions and sell the products onward to regional customers and distributors. The Group’s business relationships with NVIDIA and AMD, the two globally dominant graphics processing unit (“GPU”) suppliers, enable the Group to develop cost-competitive, high-performance products and solutions to serve the customers.

The Group provides EMS to globally recognised brands, including major providers of Automatic Teller Machines (“ATM”) and Point-Of-Sales (“POS”) systems, industrial devices such as accelerator cards and control cards, and various types of consumer electronic products such as electronic clocks and wireless thermometers. Apart from the manufacturing of VGA Cards, the Group also designs and develops other PC-related products, such as mini-PCs and PC motherboards, under the ZOTAC brand or for other parties.

In addition, the Group trades PC-related components. The VGA Cards business, under the Group’s own brands, is a key driver of the Group’s growth in the past years. The increasing demand for high-performance gaming graphics, driven by the popularity of PC gaming, particularly immersive games, has resulted in strong demand from enthusiast consumers. The rise of electronic sports and streaming has also fueled demand for VGA Cards capable of supporting high frame rates and resolutions. Technological advancements, such as ray tracing and artificial intelligence-accelerated rendering, continue to drive an uptrend in demand. In addition, the future of artificial intelligence (“AI”) PCs will require powerful VGA Cards to deliver efficient performance and meet consumer expectations. The VGA Card industry remains dynamic and technologically driven, with continued innovation and evolution expected to meet the growing demand for PC gaming, content creation and other GPU accelerated workloads.

Business Performance

PC Partner has continued to solidify its position as a key player in the PC components and hardware industry, and has strategically repositioned its resources by relocating its headquarters to Singapore and securing a secondary listing on the Singapore Exchange Securities Trading Limited (the “SGX-ST”), along with establishing a new manufacturing facility in Batam, Indonesia by the end of FY2024. All of these changes enable the Group to expand the presence in Southeast Asia region and explore new global business opportunities.

Management Discussion and Analysis

PC Partner reported a revenue increase of HK\$1,411.1 million, or 28.5%, from HK\$4,944.2 million in the first half of FY2024 to HK\$6,355.3 million in the first half of FY2025, the change was mainly contributed by sales increase of VGA Cards which offset a decline of other business segments during the period. The VGA Cards business segment has contributed a sales growth of HK\$1,681.6 million, or 41.1%, from HK\$4,088.7 million in the first half of FY2024 to HK\$5,770.3 million in the first half of FY2025. The brand business remained to be the revenue driver with a sales increase of HK\$1,866.7 million, or 60.3%, from HK\$3,094.3 million in the first half of FY2024 to HK\$4,961.0 million in the first half of FY2025. Beside the strong demand of the RTX 50 Series VGA Cards being launched in the first half of FY2025, another important driver was the Group able to obtain the latest top-of-the-line RTX 5090 GPU after completion of the relocation of its headquarters and achieving secondary listing on the SGX-ST. This, in turn, resulted in a strong rebound of the sales revenue under the own brand VGA business segment.

Business Compliance

The Group has achieved an on-going compliance with laws and regulations with its operating entities, and fulfilled different social responsibilities according to ISO9001, ISO14001, ISO45001, QC080000, ISO13485 and the code issued by Responsible Business Alliance ("RBA").

FINANCIAL OVERVIEW

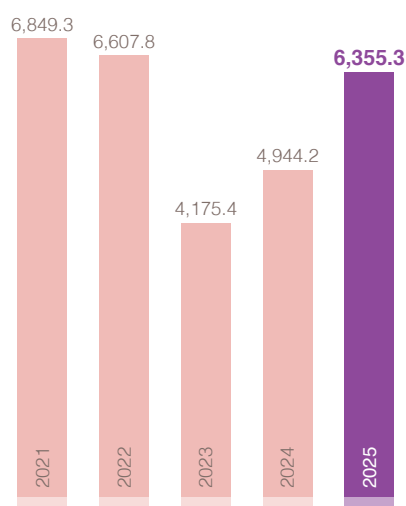
For six months ended 30 June			
	2025 HK\$ million	2024 HK\$ million	Change HK\$ million
Revenue	6,355.3	4,944.2	1,411.1
Gross profit	669.5	558.4	111.1
Gross profit margin	10.5%	11.3%	
Other revenue and other gains/(losses), net	53.8	21.2	32.6
Total operating expenses*	(418.0)	(351.1)	(66.9)
Total operating expenses as a percentage of revenue	6.6%	7.1%	
Profit before income tax	305.3	228.5	76.8
Income tax	(52.9)	(36.2)	(16.7)
Effective tax rate	17.3%	15.8%	
Profit for the period attributable to Owners of the Company	250.4	194.1	56.3
Net profit margin [#]	3.9%	3.9%	

For six months ended 30 June			
	2025 HK\$	2024 HK\$	Change HK\$
Earnings per share (Basic and Diluted)	0.645	0.500	0.145
	As at 30 June 2025 HK\$	As at 31 December 2024 HK\$	Change HK\$
Net assets per share	7.899	7.379	0.520

* Total operating expenses are included selling and distribution expenses, administrative expenses, provision for impairment losses on financial assets and finance costs

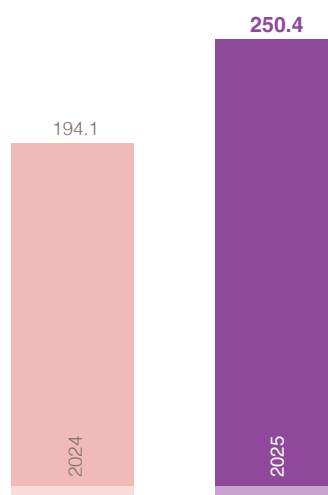
[#] Net profit margin is calculated as profit for the period attributable to Owners of the Company as a percentage of revenue

REVENUE (HK\$ MILLION)



For six months ended 30 June

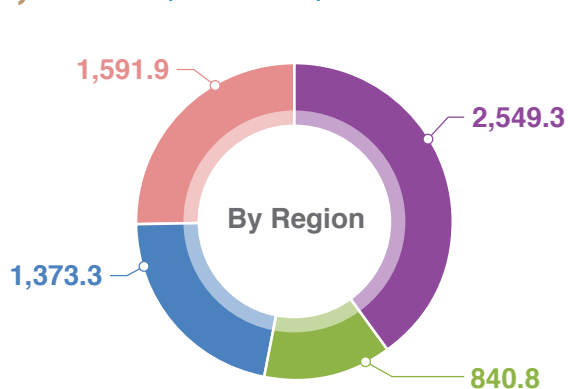
PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY (HK\$ MILLION)



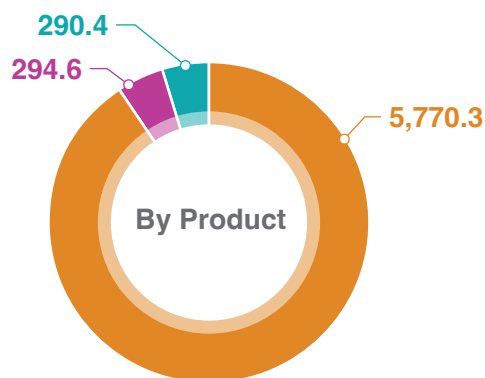
For six months ended 30 June

REVENUE^

6,355.3 (HK\$ MILLION)



APAC	40.1%
NALA	13.2%
PRC	21.6%
EMEI	25.1%



VGA	90.8%
EMS	4.6%
Other PC related products and components	4.6%

^ For the six months ended 30 June 2025

OUTLOOK

The launch of NVIDIA's RTX 50 series VGA Cards in the first half of FY2025, based on the new Blackwell architecture with higher gaming performance and AI integration than the previous RTX 40 series, stimulated a strong demand for gaming PC upgrades. The demand for RTX 50 series VGA Cards is likely to remain strong in the second half of FY2025, particularly among gamers and creative professionals seeking the latest in graphical performance and technology. However, a significant drawback for the VGA Cards business, particularly for growth, is the ongoing global semiconductor chip limitation as the production capability has to compete against the gigantic AI chips demands.

It is a great opportunity for the Company to be a partner in the NVIDIA Partnership Network in the first half of the year. This significant milestone opens new opportunities for collaboration, innovation, and growth. Being part of this partnership network not only enhances the company's capabilities but also positions the Company at the forefront of innovative technology.

The Company has recently obtained approval for the primary listing status on the SGX-ST and will proceed with the delisting exercise on The Stock Exchange of Hong Kong Limited (the "SEHK") within this year.

Potential Risks and Uncertainties

Concentration risk of reliance on NVIDIA as a major supplier of GPUs, and may be adversely affected by any disruption or termination of the business relationships with NVIDIA or fluctuations in their supply of GPUs

The Group relies heavily on NVIDIA for the provision of reliable sources of GPUs. NVIDIA is the Group's largest suppliers in respect of GPUs since 2006. Purchases from NVIDIA accounted for approximately 68.5% of the Group's total purchases in past years. If NVIDIA experiences disruptions in its production, supply chain or trade, it may negatively impact the availability of GPUs used in VGA Cards produced by the Group and hence affect the business operations and financial results of the Company.

The Group's reliance on NVIDIA for its GPUs also exposes itself to risks arising from the potential instability and variability in NVIDIA's allocation of these critical components. This dependence makes it challenging for the Group to find alternative suppliers who can match NVIDIA's technological offerings, capabilities, performance standard and brand recognition. Such reliance, in addition to NVIDIA's dominance in the market, limits the availability of suitable alternatives for the Group. Consequently, any disruption in the relationship with NVIDIA or changes in their allocation strategy could have severe repercussions on the business, financial condition, results of operations, cash flows and prospects of the Group. In recent years, there has also been a noticeable shift in NVIDIA's business focus towards AI applications, which may result in a reallocation of NVIDIA's resources towards advanced GPUs to support their fast-growing AI business segment. If NVIDIA prioritises such AI-related products, the Group and the peer in the gaming GPUs industry may experience delays or shortages in obtaining the necessary GPUs to manufacture VGA Cards. This could disrupt the supply chain, leading to potential delays in product releases, reduced product availability and increased procurement costs which could result in a negative impact on the Group's business, financial condition, results of operations, cash flows and prospects.

While we have continued to maintain a strong relationship with NVIDIA, there is no assurance that we will remain a NVIDIA Add-In-Card (“AIC”) partner and that NVIDIA will continue their supply relationships with the Group or will allocate sufficient GPUs to the Group to satisfy the business demand or will maintain their prices at current levels. Any disruption in supply or any unfavourable terms offered by NVIDIA may result in expending time and resources in finding suitable alternative solutions. The business, financial condition, results of operations, cash flows and prospects of the Group could be materially and adversely affected.

The Group operates in a highly competitive landscape and any failure to compete or respond effectively to changes in market trends and customer preferences could result in losing market share and revenue

The Group operates in a highly competitive landscape where product life cycles undergo continual compression. The introduction of new products requires substantial resource allocation across development, production, sales and marketing. Any delay in adapting to these shifting market dynamics will expose the Group to the risk of falling behind competitors. Failure to adapt to emerging technological changes in time or at all and to develop products aligned with current market trends in a timely manner may have adverse consequences for the Group’s business. Changing consumer demand and expectations, coupled with such new and other disruptive technologies, may pose a challenge to the business and operations of the Group.

The Group’s major competitors are other computer electronics manufacturers, some of which may enjoy advantages over the Group, such as greater financial resources, access to raw materials and components, economies of scale, widespread brand name recognition and established market relationships in certain markets. As a result, these competitors may find it easier to source materials at a bargain price in comparison to the supplies to the Group, which leads to a lower cost competitive advantage. The Group may have to lower the profit margin of its products in order to stay competitive with other industry players or lose sales in competition if the procurement cost of materials and components are in general higher than other industry players.

Dependence on the services of the executive directors and other key executives

The Group’s performance depends on the continued services and performance of executive directors, senior management, and sales representatives in different regions. The loss of service of any of the executive directors and key management could impair the Group’s ability to operate and make it difficult to execute the Group’s business strategies. A continued success is therefore dependent to a large extent on the ability to retain such key management personnel. The loss of services of any key management personnel without suitable and timely replacements may materially and adversely affect the business, financial condition, results of operations and prospects of the Group.

The Group’s performance and its future success also depend on its ability to attract, retain and motivate its key officers and employees. In the event that the Group needs to substantially increase employee compensation levels to attract, retain and motivate any key personnel, the costs of the Group may increase and the financial performance of the Group may be materially and adversely affected. The loss of the services of key personnel, without suitable or comparable replacements in a timely manner, or the inability to identify, hire, train and retain other qualified technical and/or managerial personnel in the future may materially and adversely affect the business, financial condition, results of operations and prospects of the Group and adversely affect the performance of the Group.

Unexpected disruptions to our manufacturing facilities and production processes

Disruptions in the manufacturing facilities and production processes, whether arising from geopolitical tensions, natural disasters, transportation challenges, or supplier insolvency, could have a significant adverse impact on the Group's production capacity. Such disruptions may result in increased costs, production delays, and failure to fulfil customer demand, thereby potentially harming the Group's reputation, business operations, and overall performance.

Moreover, due to geopolitical factors and regional considerations, there has been an increasing inquiry from customers for non-China production options. This trend suggests a potential shift in demand or concerns related to supply chain disruptions. If the Group fail to adequately address these customer requirements or diversify its production capabilities, the Group may experience a decline in orders and ultimately resulting in a loss of revenue.

Inability to procure highly competitive materials, components and maintain the manufacturing cost

A significant portion of the Group's overall expenses is attributed to the costs of components and materials. The primary raw materials and components utilized in our products include application-specific integrated circuits ("ASICs"), random access memory ("RAM"), printed circuit boards ("PCBs"), thermal modules, and various other electronic components. Collectively, these materials account for over 90% of the Group's total material costs.

Any substantial increase in the costs of these raw materials and components could have an adverse impact on the Group's manufacturing cost, business operations, financial condition, and overall performance. Furthermore, the Group may face more fierce competition from its competitors, which have a relatively stable supply of materials and components. If the Group be unable to transfer any increase in the prices of raw materials to its customers, it could further jeopardize profitability and financial performance.

Sale of VGA Cards accounted for a significant proportion of revenue and profitability

Revenue generated from VGA Cards may continue to represent a significant portion of the revenue in the foreseeable future. The Group may be subject to concentration risk from the single business segment.

Any adverse developments, such as a decline in the popularity of the VGA Cards, could result in a substantial reduction in the income of the Group. Further, such high concentration of income from this business segment also increases the vulnerability of the Group to product-specific risks, such as changes in market demand, competitive pressures, and/or any negative outcome of strategic decisions made by the Group in respect of VGA Cards sold.

The Group cannot assure that demand for the VGA Cards will not be negatively affected by changes in market demand, competitive pressures, and/or any negative outcome of strategic decisions made by the Group in respect of these products. If any of the foregoing results in a reduction in demand or cessation of orders for VGA Cards, the business, financial position, results of operations, prospects and cash flow of the Group may be materially and adversely affected.

Continued or enhanced threats of trade tariffs, import and export restrictions, tax, foreign regulations and/or other trade barriers may have a material adverse effect on the Group's business

Certain jurisdictions impose restrictions on exports of technology originating from within their borders. These restrictions can take the form of foreign trade policies, economic sanctions, treaties, government regulations and tariffs. They can prohibit the export of products to particular individuals, enterprises or jurisdictions, or for certain prescribed purposes. They can also require that an export license, permit and/or approval be obtained before the Group may export products to a particular individual, enterprise or jurisdiction.

Business growth may be slowed, and the Group's business, financial position, results of operations, cash flows and prospects may be adversely impacted by any new or revised import restrictions, tariffs on imports, import licensing requirements or other trade protection measures on the importation, sale, shipment or other transfer of finished products, components or software imposed different jurisdictions or regions. Furthermore, the Group could in the future become subject to additional tax, in which case the Group may be exposed to potential risks associated with tax compliance and the possibility of additional tax liabilities arising from historical or future audit, costs or other regulatory changes and/or restrictions arising from changes in applicable law, interpretation of such laws, or changes in the manner in which the Group operates.

The Group may be adversely affected by political, geopolitical, economic or social developments in any of the countries in which the Group operates. In particular, trade restrictions on advanced computing integrated circuits (the "Trade Restrictions") may prevent technology companies in the U.S.A. such as NVIDIA, which is the major supplier of GPUs, to export Advanced integrated circuits (the "IC") to the Group with operation in the Greater China region and even in South East Asia region in future.

Ability to continuously introduce new innovative products through the research and development ("R&D") efforts and to adapt to changes in new technologies, engineering and production advancement and processes

The computer electronics manufacturing industry is characterised by rapid technological changes, constant innovation and keen global competition. The industry is also susceptible to changes in product life cycles. These rapid technological developments require the Group to consider the regulatory standards, integrate new technology into products, develop new and relevant product categories and adapt to changing business models in a timely manner.

Competitors may develop or acquire alternative and competing technologies and standards that could allow them to develop new and disruptive products and/or produce similar, competitive products at lower costs of production, thus rendering the Group's products less competitive or even obsolete. Ability to compete effectively will therefore depend on the Group's ability to adapt to advancements in engineering and production technologies to meet customers' needs, ability to identify and leverage on new trends in the electronics market and ability to innovate on R&D capabilities. For example, the introduction of new games which do not require sophisticated graphics and the advent of cloud computing, which may diminish demand for high performance gaming hardware, are trends that could potentially render current products obsolete.

Expenditures incurred in connection with developing new products and/or enhancing the existing products and upgrading of the existing facilities are likely to be incurred in advance of any increased sales. The Group cannot assure that sales revenue will increase after these expenditures are incurred. The business and results of operations may be adversely affected if the Group does not operate as efficiently and effectively as competitors or if the Group cannot adapt on a timely basis to technological changes or unable to effectively engage in R&D to introduce new products which meet the needs of the market in a timely manner, all of which could materially and adversely affect the business, financial position, results of operations and prospects of the Group.

Business operations may be materially and adversely affected if the Group fails to comply with laws, regulations and conditions stipulated in any licences, permits, registrations or approvals, and/or is unable to obtain, maintain and/or renew the required licenses, permits, registrations and approvals

In carrying out the business operations, the Group is required to comply with relevant laws and regulations and obtain certain licences, permits, registrations and approvals from various governmental authorities in the countries in which the Group operate. In the event that the Group fails to comply with the relevant laws and regulations may be penalised and/or subject to civil liabilities for such breaches of law or regulation and/or may be required, and the business, financial position, results of operations and prospects of the Group may be adversely affected as a result.

If the Group is found to be in violation of any legal or regulatory requirements, including any additional conditions which may be stipulated by courts or governmental or supranational agencies from time to time, the Group may have to pay fines, modify, suspend or discontinue the operations, incur additional operating costs or make capital expenditures to comply with these laws and regulations.

In addition, some of these licences, permits, registrations and approvals may be subject to periodic renewal and reassessment by the relevant authorities, and the standards of compliance required in relation thereto may from time to time be subject to changes. New laws, regulations or policies may also be introduced. Accordingly, the Group has to constantly monitor and ensure compliance with the relevant conditions, laws and regulations.

There is also no assurance that the regulatory environment in which the Group operates will not change significantly or become more stringent or potentially more adverse in the future. Compliance with any changes in existing or new laws and regulations may increase the compliance costs. In the event that the Group fails to comply with the relevant laws and regulations, it may be penalised for such breaches of law or regulation, and its business, financial position, results of operations and prospects may be adversely affected as a result.

Inventory risks could adversely affect the financial condition and operating results

The Group is exposed to inventory risks that may subject the Group to inventory write-downs and adversely affect the operating results whether as a result of rapid changes in technology or otherwise which renders the finished products as well as raw materials and components obsolete. Under its inventory policy, the Group assesses and makes provisions for stock obsolescence on a monthly basis on slow-moving items for inventory aged over one year. The Group may not be able to assess customer demand or change in consumer preference accurately, resulting in inventory build-up and possible significant inventory write down or the sale of slow-moving inventory at a significant discount or substantial loss which could adversely affect the business, financial position, results of operations and prospects of the Group.

The Group may be adversely affected by the uncertain global economic outlook

Many countries have experienced increasing inflationary pressure as a result of liberal monetary policy or excessive foreign fund inflow, or both. Geopolitical issues and controversy over trade barriers have triggered the implementation or proposed implementation of tariffs on certain products imported into the different nations. Fast changing trade policies could significantly undermine the stability of the global economies.

The continued threats of tariffs, trade restrictions, trade barriers and tensions over trade and technology between the PRC and the U.S.A. could have a generally disruptive impact on the global economy, and may negatively affect consumer spending and corporate capital expenditure confidence levels. A step up in trade restrictions and tariffs imposed on the import and export of technology and products between the PRC and the U.S.A. would increase the cost of products which will ultimately be passed on to consumers. This may discourage and reduce consumer and corporate demand in the long run.

Uncertainty in the global economic recovery has escalated fears and increased uncertainties in global markets. It is difficult to predict how long such a situation will last and how the markets and businesses may be affected. Accordingly, these situations could potentially present risks to the Group, including an increase in interest expenses on bank borrowings, thereby materially and adversely affecting its business operations and future financial performance. Given the uncertainties to the future economic outlook, the Group cannot give any assurance to maintain or continue to grow the revenue and profits, or to the ability of the Group to react promptly to any change in economic conditions. In the event that the Group fails to react promptly to the changing economic conditions, the business, financial position, results of operations and prospects of the Group could be adversely affected.

Adverse changes in economic and political policies of the PRC government could have a material adverse effect on overall economic growth in the PRC, which could materially and adversely affect the business

The Group is influenced by the economic, social, political and legal developments in the PRC, including government policies affecting the level of development, growth rates, foreign exchange controls, allocation of resources, rate of inflation and trade balance position. Any adverse changes in economic conditions in the PRC, the policies of the PRC government or PRC laws and regulations could have a material and adverse effect on the overall economic growth of the PRC. Such developments could lead to reduction in demand for products, resulting in a slowdown of the Group's sales revenue.

FINANCIAL REVIEW

Revenue

Revenue recorded an increase of HK\$1,411.1 million, or 28.5%, from HK\$4,944.2 million in the first half of FY2024 to HK\$6,355.3 million in the first half of FY2025, mainly driven by an increase in sales of VGA Cards especially under own brand business segment.

The VGA Cards segment recorded an increase of HK\$1,681.6 million, or 41.1%, from HK\$4,088.7 million in the first half of FY2024 to HK\$5,770.3 million in the first half of FY2025. The strong sales performance of the NVIDIA's RTX 50 Series being launched in the first half of FY2025 under the own brand VGA Cards segment had fully offset the decline of the sales under the ODM/OEM VGA Cards segment.

Sales of the Group's own brand VGA Cards increased by HK\$1,883.7 million, or 62.1%, from HK\$3,033.3 million in the first half of FY2024 to HK\$4,917.0 million in the first half of FY2025. Besides a strong sales demand of the newly launched RTX 50 series VGA Cards, a lift of the trade restricted RTX 5090 GPU to PC Partner had also resulted in an increase in sales revenue under the own brand VGA Cards segment.

Sales of ODM/OEM VGA Cards decreased by HK\$202.1 million, or 19.1%, from HK\$1,055.4 million in the first half of FY2024 to HK\$853.3 million in the first half of FY2025. Although the sales volume of ODM/OEM VGA Cards had recorded an increase, a decline of ASP which was mainly due to a change of product mix had fully offset the volume growth which had resulted in a decline of the sales of ODM/OEM VGA Cards segment.

The EMS business recorded a decline of HK\$51.4 million, or 14.9%, from HK\$346.0 million in the first half of FY2024 to HK\$294.6 million in the first half of FY2025. The change was mainly due to less orders from EMS customers, especially a significant decline in orders in relation to ATM and POS systems in the first half of FY2025.

Sales of other PC-related products and components decreased by HK\$219.1 million, or 43.0%, from HK\$509.5 million in the first half of FY2024 to HK\$290.4 million in the first half of FY2025. The change was mainly due to a decline in sales of mini-PCs and together with a decrease in the component trade business.

Revenue of brand business increased by HK\$1,866.7 million, or 60.3%, from HK\$3,094.3 million in the first half of FY2024 to HK\$4,961.0 million in the first half of FY2025. A strong demand of the new RTX 50 Series VGA Cards, especially the RTX 5090 VGA Cards, had positively contributed to the sales revenue in the first half of FY2025. The non-brand business which includes component trading recorded a decrease in revenue of HK\$455.6 million, or 24.6%, from HK\$1,849.9 million in the first half of FY2024 to HK\$1,394.3 million in the first half of FY2025. The change of non-brand business was mainly due to a decline in sales of ODM/OEM VGA Cards together with a drop in sales of EMS and other PC-related products and components business segments.

Revenue by geographical regions

Regional business performance was affected by geopolitical issues, government policies, and the economies of different regions and countries. The Asia Pacific ("APAC"), the North and Latin America ("NALA"), the People's Republic of China ("PRC") and Europe, Middle East, Africa and India ("EMEI") regions, all have recorded an increase in revenue by 17.6%, 44.9%, 24.3% and 45.8% respectively.

APAC Region

In the APAC region, revenue increased by HK\$381.8 million, or 17.6%, from HK\$2,167.5 million in the first half of FY2024 to HK\$2,549.3 million in the first half of FY2025. The change was mainly due to the strong sales performance of the new RTX 50 series VGA Cards under the own brand VGA Cards segment together with more ODM/OEM orders for VGA Cards in the first half of FY2025.

Management Discussion and Analysis

NALA Region

In the NALA region, revenue amounted to HK\$840.8 million in the first half of FY2025, representing an increase of HK\$260.4 million, or 44.9%, as compared to HK\$580.4 million in the first half of FY2024. The change was mainly due to a strong sales performance of the new RTX VGA Cards under the own brand VGA Cards segment in the first half of FY2025.

PRC

In the PRC, revenue amounted to HK\$1,373.3 million in the first half of FY2025, representing an increase of HK\$268.7 million, or 24.3%, as compared to HK\$1,104.6 million in the first half of FY2024. The change was also contributed by a strong demand of the new RTX VGA Cards under the own brand VGA Cards segment in the first half of FY2025.

EMEA Region

In the EMEA region, revenue amounted to HK\$1,591.9 million in the first half of FY2025, representing an increase of HK\$500.2 million, or 45.8%, as compared to HK\$1,091.7 million in the first half of FY2024. The significant increase was also contributed by a strong sales demand of the new RTX 50 series VGA Cards under the own brand VGA Cards segment.

Cost of sales

Raw material costs increased by HK\$1,255.6 million, or 29.3%, from HK\$4,282.1 million in the first half of FY2024 to HK\$5,537.7 million in the first half of FY2025 in line with the sales increase in the first half of FY2025. Raw material costs as a percentage of sales increased by 0.5% from 86.6% in the first half of FY2024 to 87.1% in the first half of FY2025, which was mainly due to the cost of the new RTX 50 series VGA Cards being higher in compared to the previous generation of the VGA Cards. The Group's conversion cost which consists of direct labour and production overheads increased by HK\$44.4 million, or 42.8%, from HK\$103.7 million in the first half of FY2024 to HK\$148.1 million in the first half of FY2025. It was mainly due to an increase in production output for the newly launched RTX 50 series VGA Cards together with an addition of production overheads for the new manufacturing facility setup in Batam, Indonesia.

Gross profit and margin

The Group's gross profit in the first half of FY2025 was HK\$669.5 million, representing an increase of HK\$111.1 million, or 19.9%, as compared with HK\$558.4 million in the first half of FY2024. It was mainly contributed by an increase in sales revenue during the period. Gross profit margin was 10.5% in the first half of FY2025 as compared with 11.3% in the first half of FY2024. The change on gross profit margin was mainly due to a higher cost to revenue ratio of the new RTX 50 series VGA Cards as the material costs were higher in the current new RTX 50 series together with a decline in sales of products with a high profit margin under both the EMS and the other PC-related products and components segments.

Other revenue and other gains/losses, net

Other revenue and other gains/losses, net increased by HK\$32.6 million, or 153.8%, from HK\$21.2 million in the first half of FY2024 to HK\$53.8 million in the first half of FY2025. The change was mainly due to the net exchange gain that increased by HK\$49.2 million from the exchange loss of HK\$23.8 million in the first half of FY2024 to the exchange gain of HK\$25.4 million in the first half of FY2025. The exchange gain had fully offset a decrease in interest income of HK\$16.4 million from HK\$38.9 million in the first half of FY2024 to HK\$22.5 million in the first half of FY2025 which was due to decline in interest rates. In addition, the Group received less government grants from HK\$4.2 million in the first half of FY2024 to HK\$0.2 million in the first half of FY2025.

Selling and distribution expenses

Selling and distribution expenses increased by HK\$15.9 million, or 29.3%, from HK\$54.2 million in the first half of FY2024 to HK\$70.1 million in the first half of FY2025. The change was mainly due to additional air freight and transportation costs incurred to cater for the launch of the new RTX 50 series VGA Cards as well as a higher spending on the logistic and transportation costs for VGA Cards made in Batam, Indonesia due to a longer distance to reach customers in the major regions including Japan, Korea, Europe and the U.S.A.. In addition, the provision of return merchandise authorization (the "RMA") was higher in the first half of FY2025 which aligned with the higher sales level with more expensive product costs.

Administrative expenses

Administrative expenses were HK\$35.9 million higher than the first half of FY2024, which represents an increase of 12.6% from HK\$285.4 million in the first half of FY2024 to HK\$321.3 million in the first half of FY2025. Staff costs and directors' remuneration increased by HK\$28.1 million, or 12.7%, from HK\$221.3 million in the first half of FY2024 to HK\$249.4 million in the first half of FY2025. This was mainly associated with an increase in staff number in Singapore and Indonesia, a provision for staff performance bonus and directors' profit sharing due to the increase in profit in the first half of FY2025. Other administrative expenses increased by HK\$7.8 million, or 12.2%, from HK\$64.1 million in the first half of FY2024 to HK\$71.9 million in the first half of FY2025. It was mainly due to higher depreciation expenses incurred from the new manufacturing plant in Batam, Indonesia and new headquarters in Singapore in the first half of FY2025. In addition, the Group has also incurred a higher depreciation expenses arising from right-of-use assets with the new Singapore headquarters being setup by end of FY2024.

Provision for impairment losses on financial assets

Impairment losses on financial assets increased by HK\$16.4 million from reversal of provision for impairment loss of HK\$6.3 million in the first half of FY2024 to provision for impairment loss of HK\$10.1 million in the first half of FY2025. The Group has recorded a reversal of provision of impairment loss of a customer in the first half of FY2024 and such reversal has not recurred in the first half of FY2025.

Finance costs

Finance costs decreased by HK\$1.3 million, or 7.3%, from HK\$17.8 million in the first half of FY2024 to HK\$16.5 million in the first half of FY2025. The change was mainly due to a decline in interest rates during the period.

Management Discussion and Analysis

Income tax expenses

Income tax expenses of HK\$52.9 million were recorded in the first half of FY2025, which represents an increase by HK\$16.7 million, or 46.1%, from HK\$36.2 million in the first half of FY2024. The change was mainly due to an increase in profit of some of the major operating subsidiaries with a higher corporate profit tax rates in the first half of FY2025.

Profit for the period attributable to owners of the Company

As a result of the above factors, the Group recorded a profit attributable to owners of the Company of HK\$250.4 million in the first half of FY2025 as compared to a profit attributable to owners of the Company of HK\$194.1 million in the first half of FY2024. The increase in profit was mainly due to an increase in sales revenue in the first half of FY2025.

Earnings per share and Dividends

The profit attributable to owners of the Company in the first half of FY2025 was HK\$250.4 million which resulted in basic earnings of HK\$0.645 per share and diluted earnings of HK\$0.645 per share. Profit attributable to owners of the Company in the first half of FY2024 was HK\$194.1 million with basic earnings of HK\$0.500 per share and diluted earnings of HK\$0.500 per share. In view of the financial performance for the first half year of FY2025 together with a strong net cash position, the Board has declared an interim dividend of HK\$0.25 per share for the period ended 30 June 2025 and it is estimated to be HK\$97.0 million in total.

FINANCIAL POSITION

Non-current assets

The Group's total non-current assets decreased by HK\$33.1 million, or 4.3%, from HK\$776.3 million as at 31 December 2024 to HK\$743.2 million as at 30 June 2025. The change was mainly due to a decrease in net book value of property, plant and equipment and right-of-use assets.

Net book value of property, plant and equipment decreased by HK\$23.0 million, or 3.6%, from HK\$637.0 million as at 31 December 2024 to HK\$614.0 million as at 30 June 2025. The Group incurred lower capital expenditure of HK\$20.9 million in the first half of FY2025, compared to HK\$149.5 million in FY2024 which was associated with the Group's relocation of its headquarters to Singapore and the establishment of a new manufacturing plant in Indonesia.

Right-of-use assets decreased by HK\$13.3 million, or 12.2%, from HK\$109.2 million as at 31 December 2024 to HK\$95.9 million as at 30 June 2025, mainly due to depreciation of right-of-use assets under lease contracts of land and buildings.

Intangible assets consist of brand name and goodwill which was acquired through acquisitions of businesses and golf club membership acquired in the first half of FY2025. Goodwill has been fully impaired. As the valuation of the brand name using the income-based approach is higher than its carrying value, there was no impairment loss of the brand name as the carrying value remained unchanged as at 30 June 2025.

Other financial asset consists of an investment in 1% of the preferred stock of a private and unrelated company incorporated in the U.S.A.. The Group had irrevocably elected at initial recognition to measure the investment at fair value through other comprehensive income and no dividends have been received since the Group made the investment in a virtual reality experience company in 2017. There was no impairment loss recognised, so the carrying value remained unchanged as at 31 December 2024 and 30 June 2025 at HK\$1.2 million.

Deferred tax assets increased by HK\$0.5 million, or 6.6%, from HK\$7.6 million as at 31 December 2024 to HK\$8.1 million as at 30 June 2025, mainly due to an increase in tax losses of some members of the Group.

Trade and other receivables under non-current assets consist of deposits, prepayment and other receivables amounting to HK\$8.1 million, HK\$6.9 million and HK\$1.1 million respectively as at 30 June 2025. Trade and other receivables under non-current assets slightly decreased by HK\$0.4 million, or 2.4%, from HK\$16.5 million as at 31 December 2024 to HK\$16.1 million as at 30 June 2025.

Current assets

The Group's total current assets increased by HK\$1,009.0 million, or 23.8%, from HK\$4,238.9 million as at 31 December 2024 to HK\$5,247.9 million as at 30 June 2025. The change was mainly due to an increase in inventories and trade and other receivables which offset a decrease in cash and bank balances.

Inventories of the Group as at 30 June 2025 were HK\$1,608.4 million which increased by HK\$766.1 million, or 91.0%, as compared with HK\$842.3 million as at 31 December 2024. Inventories increased in all raw materials, finished goods and work-in-progress which was mainly due to a higher value of the new RTX 50 series GPUs and VGA Cards under raw materials and finished goods respectively. In addition, the Group had experienced a longer logistic lead time to transit raw materials to the new Indonesia manufacturing plant for production as well as taken a longer time to export finished goods from the Indonesia manufacturing plant which also resulted in a higher inventories as at 30 June 2025. Raw materials increased by HK\$217.4 million, or 45.3%, from HK\$479.6 million as at 31 December 2024 to HK\$697.0 million as at 30 June 2025. Finished goods increased by HK\$483.0 million, or 144.4%, from HK\$334.4 million as at 31 December 2024 to HK\$817.4 million as at 30 June 2025. Work-in-progress goods increased by HK\$65.7 million, or 232.2%, from HK\$28.3 million as at 31 December 2024 to HK\$94.0 million as at 30 June 2025. The increase was mainly due to a longer production lead time incurred in the new Indonesia manufacturing plant in the first quarter of FY2025 and the new plant continuing to clear out the back orders by end of the second quarter of FY2025.

Trade and other receivables under current assets consisting of trade receivables at amortised cost, trade receivables at fair value through profit and loss, other receivables, deposits and prepayment, increased by HK\$447.7 million, or 45.6%, from HK\$980.9 million as at 31 December 2024 to HK\$1,428.6 million as at 30 June 2025. Trade receivables at amortised cost increased by HK\$419.8 million, or 58.9%, from HK\$712.2 million as at 31 December 2024 to HK\$1,132.0 million as at 30 June 2025. The increase was mainly associated with an increase in sales in the first half of FY2025. Trade receivables at fair value through profit or loss increased by HK\$47.6 million, or 51.7%, from HK\$92.1 million as at 31 December 2024 to HK\$139.7 million as at 30 June 2025. The change was due to an increase in sales on credit subject to a factoring arrangement with banks by end of the June 2025 as compared to the same period last year.

Management Discussion and Analysis

As at 30 June 2025, total expected credit loss (“ECL”) provision of about HK\$1.2 million, HK\$3.7 million, HK\$7.4 million, HK\$7.9 million and HK\$294.6 million was recognised for trade receivables at amortised cost aged “Not past due”, “Within 1 month past due”, “Over 1 month within 3 months past due”, “Over 3 months but within 1 year past due” and “Over 1 year past due” respectively under the ECL assessment on both individual and collective basis. As at 31 December 2024, total ECL provision of about HK\$1.4 million, HK\$1.9 million, HK\$1.5 million, HK\$10.4 million and HK\$280.3 million was recognised for trade receivables at amortised cost aged “Not past due”, “Within 1 month past due”, “Over 1 month within 3 months past due”, “Over 3 months but within 1 year past due” and “Over 1 year past due” respectively under the ECL assessment on both individual and collective basis. As at 31 July 2025, the Group has collected a total of HK\$730.1 million representing 46.0% of the gross carrying amount of trade receivables as at 30 June 2025.

Other receivables, deposits and prepayment under current assets decreased by HK\$19.7 million, or 11.2%, from HK\$176.6 million as at 31 December 2024 to HK\$156.9 million as at 30 June 2025. This was mainly due to a reduction of deposit during the period.

Right of return assets decreased by HK\$5.4 million, or 18.6%, from HK\$29.0 million as at 31 December 2024 to HK\$23.6 million as at 30 June 2025. The change was mainly due to a decrease in sales return for credit by end of June 2025.

Current income tax recoverable decreased by HK\$2.1 million, or 4.0%, from HK\$52.7 million as at 31 December 2024 to HK\$50.6 million as at 30 June 2025. The decrease in income tax recoverable was mainly due to an increase in assessable profit of certain subsidiaries of the Company.

The Group's cash and bank balances decreased by HK\$197.3 million, or 8.5%, from HK\$2,334.0 million as at 31 December 2024 to HK\$2,136.7 million as at 30 June 2025. This was mainly due to a higher utilization of surplus cash on hand to finance procurement and operations during the period.

Current liabilities

The Group's total current liabilities increased by HK\$786.0 million, or 37.9%, from HK\$2,073.9 million as at 31 December 2024 to HK\$2,859.9 million as at 30 June 2025. The change was mainly due to an increase in trade and other payables, a higher level of bank borrowings and an increase of income tax liabilities.

Trade and other payables increased by HK\$437.2 million, or 40.6%, from HK\$1,076.4 million as at 31 December 2024 to HK\$1,513.6 million as at 30 June 2025. Trade payables increased by HK\$419.0 million, or 51.3%, from HK\$816.2 million as at 31 December 2024 to HK\$1,235.2 million as at 30 June 2025. The change was mainly due to an increase in purchase of RTX 50 series GPUs to support the business growth. Other payables increased by HK\$18.2 million, or 7.0%, from HK\$260.2 million as at 31 December 2024 to HK\$278.4 million as at 30 June 2025. The change mainly due to a provision for staff performance bonus as at 30 June 2025.

Refund liabilities are related to the customer's right of return of defective products within the warranty period. At the point of sales, a refund liability and a corresponding adjustment to revenue is recognised for products expected to be returned. The Group uses its accumulated historical experience to estimate the sales amount of returned goods. Refund liabilities decreased by HK\$4.7 million, or 13.2%, from HK\$35.6 million as at 31 December 2024 to HK\$30.9 million as at 30 June 2025, mainly due to lower returns of goods in the first half of FY2025.

Contract liabilities increased by HK\$16.8 million, or 32.4%, from HK\$51.8 million as at 31 December 2024 to HK\$68.6 million as at 30 June 2025. The change was mainly due to an increase in customer prepayments to secure purchase of products as at 30 June 2025.

The Group's bank borrowings increased by HK\$281.0 million, or 34.3%, from HK\$819.5 million as at 31 December 2024 to HK\$1,100.5 million as at 30 June 2025. This was mainly due to increase in bank borrowing to finance the procurement of GPU before end of the first half year.

Under the terms of certain sales agreements of the Group, the Group will rectify any product defects and returns arising within warranty period. A provision for product warranties and returns is therefore made for the best estimate of the expected settlement of warranty claims under such sales agreements. The amount of provision takes into account the Group's recent claim experience and is only made where a warranty claim is probable. The provision for product warranties and returns decreased by HK\$1.5 million, or 3.7%, from HK\$40.5 million as at 31 December 2024 to HK\$39.0 million as at 30 June 2025 which was mainly due to less warranty claim occurred in the first half of FY2025.

The Group leases a number of properties in the jurisdictions where it operates. The terms of property leases vary among the jurisdictions. The lease terms of contracts generally range from 1 to 10 years, including the periods covered by extension options. The Group also leases offices, office equipment and motor vehicles. All leases comprise only fixed payments over the lease terms. The current lease liability increased by HK\$2.2 million, or 5.9%, from HK\$37.5 million as at 31 December 2024 to HK\$39.7 million as at 30 June 2025. The change was mainly due to new lease agreements for directors' and staff housing in Singapore.

Current income tax liabilities increased by HK\$55.0 million, or 436.5%, from HK\$12.6 million as at 31 December 2024 to HK\$67.6 million as at 30 June 2025. The change was mainly associated with a higher profit being achieved under some of the members of the Group.

Non-current liability

Non-current liability consists of non-current lease liabilities and other payables which decreased by HK\$12.0 million, or 15.1%, from HK\$79.3 million as at 31 December 2024 to HK\$67.3 million as at 30 June 2025. The decrease was mainly due to payment of the lease liabilities according to the lease terms of leased properties.

Equity

As at 30 June 2025, total equity amounted to HK\$3,063.9 million. This comprised issued capital of HK\$38.8 million, non-controlling interests of HK\$1.9 million and reserves of HK\$3,023.2 million comprising share premium, translation reserve, merger reserve, other reserve, legal reserve, financial asset reserve and retained earnings.

Liquidity and Capital Resources

The Group's operations, capital expenditures and other capital requirements have been funded through internal and external sources of funds during the period under review. Internal sources of funds comprise cash generated from the Group's operating activities and shareholders' equity. External sources of funds comprise mainly bank borrowings.

Management Discussion and Analysis

As at 30 June 2025, the Group have cash and cash equivalents of HK\$1,978.4 million and net current assets of HK\$2,388.0 million, and the Group had credit facilities of HK\$1,803.2 million which have not been utilised.

Working Capital

Inventories of the Group as at 30 June 2025 were HK\$1,608.4 million which increased by HK\$766.1 million, or 91.0%, as compared with HK\$842.3 million as at 31 December 2024. Inventory turnover days decreased from 40 days as at 31 December 2024 to 39 days as at 30 June 2025. It was mainly due to a significant increase in sales which offset the impact of an increase in inventories by end of the first half year.

Trade receivables as at 30 June 2025 were HK\$1,271.7 million, which increased by HK\$467.4 million, or 58.1%, as compared with HK\$804.3 million as at 31 December 2024, so that trade receivable turnover days has increased from 29 days as at 31 December 2024 to 30 days as at 30 June 2025. The change was mainly associated with a significant increase in sales which offset the impact of an increase in trade receivables by end of the first half year.

Trade payables as at 30 June 2025 were HK\$1,235.2 million, which increased by HK\$419.0 million, or 51.3%, as compared with HK\$816.2 million as at 31 December 2024. The change was mainly due to an increase in raw materials procurement in the second quarter of FY2025 which aligned with sales growth during the period. However, the trade payable turnover days decreased from 37 days as at 31 December 2024 to 33 days as at 30 June 2025, the change was mainly due to an increase in cost of sales which aligned with sales increase for the period that has driven a decrease of the trade payable turnover days.

Cash Flow Analysis

Net Cash generated from Operating Activities

Net cash from operating activities was HK\$670.3 million in the first half of FY2025 which was higher than HK\$558.5 million in the first half of FY2024. The change was due to an increase in operating profit and an increase in working capital mainly consisting of trade and other payables which offset cash outflows of inventories and trade and other receivables.

Net Cash used in/generated from Investing Activities

Net cash used in investing activities was HK\$0.4 million in the first half of FY2025 as compared to the net cash generated from the investing activities of HK\$55.8 million in the first half of FY2024. The change was mainly due to a decline in placement and withdrawal of time deposit with initial maturity of over three months activities as well as lower interest received in the first half of FY2025.

Net Cash used in Financing Activities

Net cash used in financing activities of HK\$894.8 million in the first half of FY2025 which was higher than the net cash used in financing activities of HK\$817.6 million in the first half of FY2024. The net cash used in financing activities mainly comprised repayment of import loans of HK\$811.8 million that has been increased from HK\$797.5 million in the first half of FY2024. In addition, the Group paid out dividends to owners of the Company for HK\$58.2 million in the first half of FY2025.

Foreign Exchange Management

The Group's reporting currency is in HKD. As at 30 June 2025, the Group was exposed to currency risk primarily through sales and purchases denominated in currencies other than the functional currency of the operations to which they relate. The currencies giving rise to the risk are primarily USD, RMB, EUR, KRW, JPY, SGD and IDR. The appreciation or depreciation in the value of other currency other than the functional currencies of the Company's subsidiaries will have either a positive or negative effect on the financial results of the Group. The Group entered into one structured investment contract in FY2024 and one structured investment contract in the first half of FY2025.

CHARGES ON ASSETS

As at 30 June 2025, bank deposits of HK\$0.3 million were pledged to a bank to secure the corporate credit card granted to the Group and the Group had pledged certain office premises with an aggregate carrying value of approximately HK\$349.0 million to a bank.

CAPITAL MANAGEMENT, CAPITAL EXPENDITURES, DIVESTMENTS AND COMMITMENTS

Capital Management

The capital structure of the Group consists of debts, which includes borrowings and lease liabilities, and equity of the Group, comprising share capital, reserves and retained earnings disclosed in the condensed consolidated statement of changes in equity. Management reviews the capital structure on a regular basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. The Group has a target gearing ratio of below 100% determined as the proportion of net debt to equity.

The Group's net cash to equity ratio (being cash and bank balances minus debts divided by total equity) decreased from 49.0% as at 31 December 2024 to 30.5% as at 30 June 2025. The change was mainly due to a decrease of cash and bank balances and an increase in bank borrowings with a higher level of total equity as at 30 June 2025. Gearing ratio was not presented as the Group was at a net cash position as at 31 December 2024 and 30 June 2025.

Capital Expenditures

The capital expenditure in the first half of FY2025 was HK\$20.9 million mainly for the purchase of property, leasehold improvement, plant and machinery, office and testing equipment, furniture and fixtures and motor vehicles. Funding for capital expenditures was from internally generated funds.

Divestments

Divestments in the first half of FY2025 consisted mainly of assets written off after the useful life of leasehold improvement, plant and machinery, office and testing equipment and furniture and fixtures for a total of HK\$7.3 million, mainly on retirement of leasehold improvement items.

Capital Commitments

The Group had entered into capital commitment contracts for the acquisition of property, plant and equipment amounting to HK\$6.3 million as at 30 June 2025 which will be financed by internally generated funds.

Lease Commitments

The Group had the lease commitments for future minimum lease payments under non-cancellable operating leases in respect of the rental of its manufacturing plant, office, warehouse and office equipment in the PRC, Hong Kong, Taiwan, Indonesia, Singapore, Germany, Japan and South Korea and certain of its motor vehicles for business use. The Group finances the above lease commitments from internally generated funds.

CONTINGENT LIABILITY

Included in the sales of products to the U.S.A. was the Group's own brand VGA cards, which are imported to the U.S.A. under the tariff code for video game consoles and machines for custom declaration for the period from 30 July 2020 to 2 January 2023. In 2023, the Group identified a classification issue on import declaration of VGA cards that U.S. Customs and Border Protection ("CBP") determined these VGA cards HTSUS Code 8473.30.1180 (for "parts and accessories of the machines of heading 8471, not incorporating a cathode ray tube") which falls under List 3 of the Section 301 of the U.S. Trade Act of 1974 (the "China Section 301 Tariff"). Such classification would lead to a 25% tariff under China Section 301 Tariff for products imported during the period between 1 January 2021 and 11 October 2021, and the estimated amount of the potential tariff approximates US\$25 million (approximately HK\$198.3 million). Under lawyer's advice, the Group took an initiative to rectify the declaration in CBP in order to avoid additional penalty on unreported tariff.

In July 2024, the Group filed a litigation protest to CBP to put forth that no tariffs should be payable for these products imported during certain different periods. The Group had paid US\$11.8 million (approximately HK\$92.4 million) of the total contingent liability of US\$25 million (approximately HK\$198.3 million) in connection with filing the litigation protest.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the six months ended 30 June 2025, there was no material acquisitions and disposals of subsidiaries, associates and joint ventures by the Group.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Company plans to delist from the SEHK in FY2025.

EVENTS AFTER THE REPORTING PERIOD

In its introductory document dated 12 November 2024 issued in connection with its secondary listing on the SGX-ST, the Company stated its intention to convert its listing status from secondary to primary on the SGX-ST (the "Proposed Conversion"), followed by a delisting from the SEHK.

The Proposed Conversion is subject to (1) the Company's ability to satisfy the 10% free float requirement on the SGX-ST (the "SGX Free Float Requirement"), and (2) the SGX-ST's approval of the Proposed Conversion.

Upon application by the Company, on 4 June 2025, the SGX-ST granted a waiver of the SGX Free Float Requirement (the "Free Float Waiver") for a grace period of nine months from the date on which the Proposed Conversion takes effect, subject to conditions set out in the Company's announcement dated 8 August 2025 (the "Announcement").

Following the grant of the Free Float Waiver, on 8 August 2025, the SGX-ST granted the Company with in-principle approval for the Proposed Conversion, subject to the conditions set out in the Announcement. The Proposed Conversion is expected to take effect on 20 August 2025.

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2025, the Group had 2,947 employees (as at 31 December 2024: 2,536 employees). Employees are remunerated on the basis of their individual performance and prevailing industry practice. Compensation policies and remuneration packages of the employees are reviewed at least once a year. In addition to basic salary, medical benefits, provident fund, performance-related bonuses may also be awarded to employees.

SIGNIFICANT ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

There was no significant acquisition or disposal of property, plant or equipment in the first half of FY2025.

Other Information

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

As at 30 June 2025, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) ("SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "SEHK") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Rules Governing the Listing of Securities on the SEHK (the "Listing Rules"), were as follows:

Long Positions in Shares of the Company

Name of Director	Type of interest	Number of Shares held	Percentage of Shareholding
Mr. WONG Shik Ho Tony	Beneficial owner	55,405,750	14.28%
Mrs. HO WONG Mary Mee-Tak	Beneficial owner	55,050,000	14.19%
Mr. WONG Fong Pak	Beneficial owner	27,639,750	7.13%
Mr. LEUNG Wah Kan	Beneficial owner	25,100,500	6.47%
Mr. HO Nai Nap	Beneficial owner	21,431,538	5.53%
Mr. MAN Wai Hung	Beneficial owner	5,807,065	1.50%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, the following parties with interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Interest in the Company

Name	Long/ Short position	Type of interest	Number of Shares held	Percentage of shareholding
Mr. WONG Shik Ho Tony	Long position	Beneficial owner	55,405,750	14.28%
Mrs. HO WONG Mary Mee-Tak	Long Position	Beneficial owner	55,050,000	14.19%
Mr. WONG Fong Pak	Long position	Beneficial owner	27,639,750	7.13%
Mr. LEUNG Wah Kan	Long position	Beneficial owner	25,100,500	6.47%
Mr. HO Nai Nap	Long position	Beneficial owner	21,431,538	5.53%

SHARE OPTION SCHEME

During the six months ended 30 June 2025, the Company did not have any share option scheme or share award scheme in respect of the Shares or other securities exchangeable or convertible into Shares.

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK\$0.25 per share, totaling HK\$96,971,000 for the six months ended 30 June 2025 (2024: HK\$0.20 per share, totalling HK\$77,576,000) to be paid on or about 10 October 2025 (Friday) to the following shareholders:

- (1) shareholders in Hong Kong whose names on the Company's branch share register of members in Hong Kong on 19 September 2025 (Friday); and
- (2) shareholders in Singapore whose names appear on the Company's branch share register of members in Singapore on 18 September 2025 (Thursday) after 5:00 p.m.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the interim dividend, the Company's branch share registers in Hong Kong and Singapore will be closed from 19 September 2025 (Friday) to 23 September 2025 (Tuesday) (both days inclusive), during that period no transfer of shares will be registered.

In order to qualify for the interim dividend, shareholders must deliver their stamped instruments of transfer, accompanied by the relevant share certificates, to the Company's branch share registrars before the deadline set out below for the registration of the share transfer.

Shareholders		Branch Share Registrar	Deadline for submission of documents
Hong Kong	Computershare Hong Kong Investor Services Limited	Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong	4:30 p.m. on 18 September 2025 (Thursday)
Singapore	B.A.C.S. Private Limited	77 Robinson Road, #06-03 Robinson 77, Singapore 068896	5:00 p.m. on 18 September 2025 (Thursday)

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

Neither the Company nor any of its subsidiaries has purchased, redeemed, or sold any of the Company's listed securities during the six months ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the required standard for securities transactions by Directors. In response to specific enquiries made by the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2025.

CORPORATE GOVERNANCE CODE

Pursuant to Rule 710 of the Listing Manual of the SGX-ST, an issuer listed on the SGX-ST must describe in its annual report its corporate governance practices with specific reference to the principles and the provisions of the Code of Corporate Governance 2018. Any deviations from the provisions must be explained, including how the adopted practices remain consistent with the intent of the relevant principles.

As the Company's listing status was only converted from a secondary listing to primary listing on 20 August 2025, it was not subject to the requirements of the Code of Corporate Governance 2018 prior to such conversion, including during the period under review.

Throughout the six months ended 30 June 2025, the Company has complied with the code provisions as set out in Part 2 of the Corporate Governance Code (the "CG Code") as contained in Appendix C1 to the Listing Rules, save and except for the deviations from code provisions C.2.1 and D.2.5 of the CG Code as described below.

According to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and not performed by the same individual. During the interim period ended 30 June 2025, Mr. Wong Shik Ho Tony assumed both roles. As the founder of a thriving group, Mr. Wong has been actively engaged in the Group's daily business operations since its establishment. He oversees strategic planning and corporate development, assisted by the other four Executive Directors.

The Board consists of 13 Directors, 8 of whom are Non-executive Directors (including 7 Independent Non-executive Directors). All Executive Directors are well-experienced and deeply involved in the Group's daily operations, while the Independent Non-executive Directors are professionals with strong backgrounds in accountancy, corporate financing, education, legal, or information technology.

The Board's diverse blend of skills, knowledge, experience, and management expertise significantly enhances its overall strength. With 7 Independent Non-executive Directors actively engaged in Board affairs and forming the majority, major decisions are made following thorough deliberation. This structure fosters strong leadership and enables efficient decision-making. In today's complex and challenging global business environment, the Company must navigate evolving regulatory landscapes shaped by major economic powers, while maintaining its global competitiveness. This is essential to sustaining stakeholder confidence and delivering outstanding business performance. Retaining the current board structure is therefore in the best interests of the Company's shareholders.

Pursuant to code provision D.2.5 of the CG Code, the Company should have an internal audit function. During the period under review, the Company did not have an internal audit function but engaged a professional firm to conduct reviews of its risk management and internal control systems. The professional firm reported directly to the Audit Committee, providing assessment reports with recommendations and holding regular meetings with the Committee members. This arrangement allows the Audit Committee to evaluate the effectiveness of the risk management and internal control systems from an independent and unbiased perspective, enhancing the Group's risk management and internal control.

AUDIT COMMITTEE

The Company established the audit committee (the "Audit Committee") on 21 December 2011 with written terms of reference. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control and risk management systems of the Group as well as to provide advice and comments to the Board. The Audit Committee comprises three Independent Non-executive Directors, namely, Mr. Chua Ser Miang (as Chairman), Mr. Kong Chee Keong, and Ms. Alicia Kwan Xiuying.

REVIEW OF INTERIM RESULTS

The interim results of the Group for the six months ended 30 June 2025 have not been audited, but have been reviewed by the Audit Committee.

By order of the Board

WONG Shik Ho Tony

Chairman

Singapore, 19 August 2025

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Notes	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Revenue	4, 5	6,355,257	4,944,243
Cost of sales		(5,685,791)	(4,385,891)
Gross profit		669,466	558,352
Other revenue and other gains/(losses), net	6	53,817	21,233
Selling and distribution expenses		(70,159)	(54,148)
Administrative expenses		(321,268)	(285,394)
(Provision)/reversal of provision for impairment losses on financial assets		(10,111)	6,258
Finance costs	7	(16,487)	(17,842)
Profit before income tax	8	305,258	228,459
Income tax	9	(52,912)	(36,194)
Profit for the period		252,346	192,265
Other comprehensive income, after tax			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign subsidiaries		7,710	(4,571)
Total comprehensive income for the period		260,056	187,694
Profit/(loss) for the period attributable to:			
— Owners of the Company		250,359	194,060
— Non-controlling interests		1,987	(1,795)
		252,346	192,265
Total comprehensive income for the period attributable to:			
— Owners of the Company		258,069	189,489
— Non-controlling interests		1,987	(1,795)
		260,056	187,694
Earnings per share	11	HK\$	HK\$
— Basic		0.645	0.500
— Diluted		0.645	0.500

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	12	614,049	636,945
Right-of-use assets	12	95,864	109,223
Intangible assets		7,904	4,825
Other financial asset		1,268	1,268
Deferred tax assets		8,067	7,614
Trade and other receivables	13	16,070	16,433
Total non-current assets		743,222	776,308
Current assets			
Inventories		1,608,433	842,325
Trade and other receivables	13	1,428,640	980,922
Right of return assets		23,617	28,984
Current income tax recoverable		50,568	52,641
Cash and bank balances	14	2,136,685	2,334,023
Total current assets		5,247,943	4,238,895
Total assets		5,991,165	5,015,203

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Current liabilities			
Trade and other payables	15	1,513,575	1,076,314
Refund liabilities		30,942	35,571
Contract liabilities		68,551	51,775
Borrowings	16	1,100,525	819,533
Provision for product warranties and returns	17	38,996	40,508
Lease liabilities		39,690	37,522
Current income tax liabilities		67,645	12,645
Total current liabilities		2,859,924	2,073,868
Net current assets		2,388,019	2,165,027
Total assets less current liabilities		3,131,241	2,941,335
Non-current liabilities			
Lease liabilities		61,173	73,460
Other payables	15	6,188	5,868
Total non-current liabilities		67,361	79,328
NET ASSETS		3,063,880	2,862,007
Capital and reserves			
Share capital	18	38,788	38,788
Reserves		3,023,180	2,823,294
Equity attributable to owners of the Company		3,061,968	2,862,082
Non-controlling interests		1,912	(75)
TOTAL EQUITY		3,063,880	2,862,007

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

Equity attributable to owners of the Company											
	Share capital	Share premium	Translation reserve	Merger reserve	Other reserve	Legal reserve	Financial asset at fair value through other comprehensive income ("FVTOCI") reserve	Retained profits	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2024	38,788	198,036	(3,636)	6,702	21,775	3,506	(14,352)	2,522,012	2,772,831	1,384	2,774,215
Profit for the period	—	—	—	—	—	—	—	194,060	194,060	(1,795)	192,265
Other comprehensive income											
— exchange differences on translating foreign subsidiaries	—	—	(4,571)	—	—	—	—	—	(4,571)	—	(4,571)
Total comprehensive income	—	—	(4,571)	—	—	—	—	194,060	189,489	(1,795)	187,694
Dividends declared (note 10)	—	—	—	—	—	—	—	(77,577)	(77,577)	—	(77,577)
At 30 June 2024 (Unaudited)	38,788	198,036	(8,207)	6,702	21,775	3,506	(14,352)	2,638,495	2,884,743	(411)	2,884,332
At 1 January 2025	38,788	198,036	(21,358)	6,702	21,770	10,637	(14,352)	2,621,859	2,862,082	(75)	2,862,007
Profit for the period	—	—	—	—	—	—	—	250,359	250,359	1,987	252,346
Other comprehensive income											
— exchange differences on translating foreign subsidiaries	—	—	7,700	—	10	—	—	—	7,710	—	7,710
Total comprehensive income	—	—	7,700	—	10	—	—	250,359	258,069	1,987	260,056
Dividends paid (note 10)	—	—	—	—	—	—	—	(58,183)	(58,183)	—	(58,183)
At 30 June 2025 (Unaudited)	38,788	198,036	(13,658)	6,702	21,780	10,637	(14,352)	2,814,035	3,061,968	1,912	3,063,880

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Note	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Operating activities			
Profit before income tax		305,258	228,459
Adjustments for:			
Amortisation of intangible asset		66	—
Depreciation of property, plant and equipment		45,392	33,803
Depreciation of right-of-use assets		21,365	16,077
Interest income		(22,499)	(38,901)
Interest expense		16,487	17,842
Gain on disposal of property, plant and equipment		(34)	(214)
Provision/(reversal of provision) for impairment losses on financial assets		10,111	(6,258)
Provision/(reversal of provision) for obsolete inventories		16,647	(9,195)
Provision for product warranties and returns, net		6,611	252
Net fair value gains on derivative financial instruments		(60)	(164)
Operating profit before working capital changes		399,344	241,701
Inventories		(783,322)	(246,364)
Trade and other receivables		(467,452)	(128,327)
Right of return assets		5,384	2,817
Trade and other payables		1,521,818	715,552
Refund liabilities		(4,647)	(4,880)
Contract liabilities		15,736	16,693
Provision for product warranties and returns		(8,123)	(6,045)
Cash generated from operations		678,738	591,147
Interest paid		(11,868)	(15,408)
Income tax refund/(paid)		3,398	(17,239)
Net cash generated from operating activities		670,268	558,500

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Note	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Investing activities			
Payments to acquire an intangible asset		(3,119)	—
Payments to acquire property, plant and equipment		(18,476)	(7,772)
Prepayments to acquire property, plant and equipment		(1,490)	(2,409)
Proceeds from disposal of property, plant and equipment		99	281
Placement of time deposit with initial maturity of over three months		(155,180)	(359,260)
Withdrawal of time deposit with initial maturity of over three months		155,180	390,500
Interest received		22,568	34,320
Cash received on settlement of derivative financial instruments		60	164
Net cash (used in)/generated from investing activities		(358)	55,824
Financing activities			
Dividends paid to owners of the Company		(58,183)	—
Repayment of bank loans		(3,878)	(3,879)
Repayment of import loans		(811,845)	(797,546)
Repayment of principal of lease liabilities		(20,883)	(16,164)
Net cash used in financing activities		(894,789)	(817,589)
Net decrease in cash and cash equivalents		(224,879)	(203,265)
Cash and cash equivalents at beginning of period		2,177,393	2,100,381
Effect of exchange rate changes on cash and cash equivalents		25,876	(12,605)
Cash and cash equivalents at end of period, representing cash and bank balances (net of pledged deposit and time deposit with initial maturity of over three months)	14	1,978,390	1,884,511

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2025 (the “Interim Financial Statements”) have been prepared in accordance with the applicable disclosure requirements of Appendix D2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

The Interim Financial Statements have been prepared under the historical cost convention modified by the revaluation of certain financial instruments.

The accounting policies adopted for the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the annual financial statements of the Group for the year ended 31 December 2024 (the “Annual Financial Statements”), except for the adoption of the amended HKFRS Accounting Standards (which collective term includes all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), HKASs and Interpretations) issued by the HKICPA.

The Interim Financial Statements are unaudited but have been reviewed by the Audit Committee of the Company.

The Interim Financial Statements should be read in conjunction with the Annual Financial Statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Amendments adopted from 1 January 2025

The HKICPA has issued a number of amended HKFRS Accounting Standards that were adopted by the Group effective from 1 January 2025:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The above amended HKFRS Accounting Standards did not have any material impact on the Group’s accounting policies.

Amendments to HKAS 21 and HKFRS 1: Lack of Exchangeability

The amendments specify when a currency is exchangeable into another currency and when it is not and how an entity estimates the spot exchange rate when a currency is not exchangeable. In addition, the amendments require disclosure of information that enables users of its financial statements to evaluate how a currency’s lack of exchangeability affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

3. USE OF JUDGEMENTS AND ESTIMATES

In preparing this Interim Financial Statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Annual Financial Statements.

4. SEGMENT REPORTING

(a) Reportable segments

The Group determines its operating segments based on the reports reviewed by the chief operating decision maker which is the board of directors that are used to make strategic decisions. The Group principally operates in one business segment, which is the design, manufacturing and trading of electronics and PC parts and accessories. The following summary describes the operation of the Group's reportable segments:

Revenue from contracts with customers within the scope of HKFRS 15:

	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Design, manufacturing and trading of electronics and PC parts and accessories	6,355,257	4,944,243

Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by primary geographical markets, major products and services, brand and non-brand businesses and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

4. SEGMENT REPORTING (CONTINUED)

(a) Reportable segments (continued)

Disaggregation of revenue from contracts with customers (continued)

For the period ended 30 June	Design, manufacturing and trading of electronics and PC parts and accessories	
	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Primary geographical markets		
APAC	2,549,277	2,167,457
NALA	840,820	580,425
PRC	1,373,290	1,104,617
EMEA	1,591,870	1,091,744
	6,355,257	4,944,243

4. SEGMENT REPORTING (CONTINUED)

(a) Reportable segments (continued)

Disaggregation of revenue from contracts with customers (continued)

For the period ended 30 June	Design, manufacturing and trading of electronics and PC parts and accessories	
	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Major products/services		
VGA Cards	5,770,287	4,088,713
EMS	294,639	346,008
Other PC related products and components	290,331	509,522
	6,355,257	4,944,243
Brand and non-brand businesses		
Brand businesses	4,960,947	3,094,288
Non-brand businesses	1,394,310	1,849,955
	6,355,257	4,944,243
Timing of revenue recognition		
At a point in time	6,355,257	4,944,243

(b) Information about the major customer

During the six months ended 30 June 2025 and 2024, none of the customers contributed 10% or more of the Group's revenue.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

5. REVENUE

Revenue represents the consideration to which the Group expects to be entitled in exchange for goods sold and service income earned by the Group excluding amounts collected on behalf of third parties.

The following table provides information about contract liabilities from contracts with customers.

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Contract liabilities	68,551	51,775

The contract liabilities mainly relate to the advance consideration received from customers and volume rebates and sales allowances to customers. HK\$21,337,000 of the contract liabilities as at 1 January 2025 and HK\$32,349,000 of the contract liabilities as at 1 January 2024 have been recognised as revenue for the six months ended 30 June 2025 and 2024 respectively from performance obligations satisfied when the goods were sold.

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its contracts for sale of goods and services and therefore the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sale of goods and services which had an original expected duration of one year or less.

6. OTHER REVENUE AND OTHER GAINS/(LOSSES), NET

	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Government grants (note)	225	4,169
Interest income	22,499	38,901
Net exchange gains/(losses)	25,390	(23,760)
Net fair value gains on derivative financial instruments	60	164
Gain on disposal of property, plant and equipment	34	214
Sundry income	5,609	1,545
	53,817	21,233

Note: Most of the government grants were received from several PRC local government authorities on a discretionary basis before the period end. There are no unfulfilled conditions and other contingencies attached to the government grants that have been recognised.

7. FINANCE COSTS

	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Interest on bank advances and other borrowings	14,026	15,863
Interest on lease liabilities	2,295	1,979
Interest on reinstatement cost for leasing properties	166	—
	16,487	17,842

8. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Inventories recognised as expense	5,669,144	4,395,086
Provision/(reversal of provision) for obsolete inventories	16,647	(9,195)
Cost of sales	5,685,791	4,385,891
Staff costs	307,989	265,215
Amortisation of intangible asset	66	—
Depreciation of property, plant and equipment	45,392	33,803
Depreciation of right-of-use assets	21,365	16,077
Provision/(reversal of provision) for impairment losses on financial assets	10,111	(6,258)
Short-term lease expenses	357	301
Low-value asset leases expenses	11	12
Provision for product warranties and returns, net (note 17)	6,611	252
Research and development expenditure (note)	32,252	37,416

Note: The research and development expenditure for the period represents depreciation of plant and machinery and office equipment and right-of-use assets and staff costs for research and development activities, which are also included in the total amounts disclosed above for each of these types of expenses.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

9. INCOME TAX

The amount of income tax expense in the condensed consolidated statement of comprehensive income represents:

	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Current tax — Hong Kong		
— provision for the period	14,497	31,028
— over provision in respect of prior year	(1,333)	—
Current tax — PRC		
— provision for the period	948	4,370
— under provision in respect of prior year	3	—
Current tax — Singapore		
— provision for the period	24,774	—
Current tax — others		
— provision for the period	14,442	83
— under provision in respect of prior year	5	—
	53,336	35,481
Deferred tax		
— origination and reversal of temporary differences	(424)	713
Income tax expense	52,912	36,194

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act (Revised) of the Cayman Islands and, accordingly, is exempted from payment of Cayman Islands income tax.

The Company's Macau subsidiary is exempted from Macau Complimentary Tax pursuant to Decree Law No. 58/99/M, Chapter 2, Article 12, dated 18 October 1999.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill"), which introduces a two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted the following day.

9. INCOME TAX (CONTINUED)

Under the two-tiered profits tax rates regime, if the entity has one or more connected entity, the two-tiered profits tax rates would only apply to the one which is nominated to be chargeable at the two-tiered rates. Hong Kong profits tax of the nominated entity is calculated at 8.25% on assessable profits up to HK\$2 million and 16.5% on any part of assessable profits over HK\$2 million. For those entities which do not qualify for two-tiered profits tax rates, a profits tax rate of 16.5% on assessable profits shall remain in calculating Hong Kong profits tax. For the six months ended 30 June 2025 and 2024, Hong Kong profits tax is calculated in accordance with the two-tiered profits tax rates regime. A significant subsidiary of the Company, PC Partner Limited, is entitled to claim 50% of all of its manufacturing profits as offshore in nature and non-taxable under Departmental Interpretation and Practice Notes No.21 issued by the Inland Revenue Department of Hong Kong ("HKIRD").

The Company's wholly-owned subsidiary located in the PRC, 東莞栢能電子科技有限公司 has obtained the "High Technology Enterprise" status since 2012 and currently renewed successfully for three years from 2024 to 2027 and the applicable PRC enterprise income tax rate for the six months ended 30 June 2025 is 15% (30 June 2024: 15%). Other PRC subsidiaries of the Company are subject to PRC enterprise income tax at a statutory rate of 25% (30 June 2024: 25%) on the assessable profits as determined in accordance with the relevant income tax rules and regulations of the PRC for the six months ended 30 June 2025.

The Group's wholly-owned subsidiary located in Singapore, PC Partner Technology Pte. Limited, has been awarded with the Development and Expansion Incentive under the International Headquarters Award ("DEI") and Finance and Treasury Centre Incentive ("FTC"). These awards are granted for 5-year period from January 2025 to December 2029 and the profit from the qualifying income under DEI and FTC are taxed at the concessionary income tax rate of 10% and 8% respectively. The Group had made provision of income tax for this subsidiary based on the minimum tax rate of 15% by the requirements under International Tax Reform — Pillar Two Model Rules. Other Singapore subsidiaries of the Group are subjected to the Singapore income tax rate at a statutory tax rate of 17% (30 June 2024: 17%) on the assessable profits.

Other overseas tax is calculated at the rates applicable in the respective jurisdictions.

In February 2024, PC Partner Limited received a letter from HKIRD in respect of a compliance review to be conducted on PC Partner Limited. The review undertaken by HKIRD concerns, among others, whether the treatment of claiming 50% of all of its manufacturing profits as offshore in nature and non-taxable is appropriate. In March 2024 and November 2024, the HKIRD filed a notice of assessment of additional tax payable by PC Partner Limited for years of assessment 2017/18 and 2018/19 of HK\$16.5 million and HK\$16.5 million respectively and PC Partner Limited filed objection letters to the notice of assessments above. Based on the assumption that the HKIRD eventually rejects PC Partner Limited's application of the 50:50 Treatment and disallows the claim on capital allowances, the potential tax exposure of PC Partner Limited for the years of assessment from 2017/18 to 2022/23 estimated by the Group's tax advisor would be at approximately HK\$60 million.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

9. INCOME TAX (CONTINUED)

PC Partner Limited had paid HK\$11.0 million and HK\$13.0 million under Tax Reserve Certificates for “Conditional Standover Order” as a form of security for the objection against the assessments on 29 April 2024 and 9 January 2025 respectively.

The Group applied IFRIC INT 23 *Uncertainty over Income Tax Treatments* guidance on accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Group has not provided provision for additional income taxes relating to PC Partner Limited’s 50% non-taxable offshore manufacturing profit as at 30 June 2025 because the Directors are of the view that the contract processing arrangement between subsidiaries remained unchanged throughout the period and there was no significant change in applicable tax laws and practice of HKIRD on the source of profit derived from the contract processing arrangement in recent years.

10. DIVIDENDS

	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
2024 Final dividend paid — HK\$0.15 per share (2024: 2023 Final dividend declared — HK\$0.20 per share)	58,183	77,577

The directors of the Company have declared an interim dividend of HK\$0.25 (30 June 2024: HK\$0.20) per share, totalling HK\$96,971,000 (30 June 2024: HK\$77,576,000) for the six months ended 30 June 2025. The interim dividend has not been recognised as a liability at 30 June 2025.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share for the six months ended 30 June 2025 and 2024 is based on the following data:

Profit	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Profit for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	250,359	194,060
Shares in issue	30 June 2025 (number of shares) (Unaudited)	30 June 2024 (number of shares) (Unaudited)
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	387,883,668	387,883,668

12. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

No impairment losses were recognised in respect of property, plant and equipment and right-of-use assets for both periods. During the six months ended 30 June 2025, additions to property, plant and equipment and right-of-use assets were amounted to HK\$20,865,000 (30 June 2024: HK\$13,823,000) and HK\$6,261,000 (30 June 2024: HK\$3,251,000) respectively. Effect of modification to lease terms for right-of-use assets was amounted to HK\$1,244,000 (30 June 2024: HK\$2,741,000).

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

13. TRADE AND OTHER RECEIVABLES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade receivables at amortised cost	1,446,788	1,007,590
Less: Accumulated impairment losses	(314,768)	(295,457)
Trade receivables at amortised cost, net (note (a))	1,132,020	712,133
Trade receivables at fair value through profit or loss (note (b))	139,683	92,130
Other receivables (note (c))	10,604	3,307
Prepayments, value added tax recoverable and tariff recoverable (note (d))	148,404	137,065
Deposits	19,558	58,279
Less: Accumulated impairment losses	(5,559)	(5,559)
	13,999	52,720
	1,444,710	997,355
Less: Other receivables — non-current portion	(1,094)	(433)
Deposits — non-current portion	(8,047)	(8,275)
Prepayments — non-current portion	(6,929)	(7,725)
	(16,070)	(16,433)
Trade and other receivables — current portion	1,428,640	980,922

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Notes:

- (a) The ageing analysis of trade receivables at amortised cost (net of impairment losses) of the Group, based on invoice dates, as at the end of reporting period is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 1 month	645,255	397,135
Over 1 month but within 3 months	448,354	287,454
Over 3 months but within 1 year	38,336	27,544
Over 1 year	75	—
	1,132,020	712,133

The credit period on sales of goods is 14 to 90 days (31 December 2024: 7 to 90 days) from the invoice date.

- (b)

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade receivables at fair value through profit or loss	139,683	92,130

It represents trade receivables which are subject to a factoring arrangement without recourse with specific customers. Under this arrangement, the Group will transfer the relevant receivables to the bank in exchange for cash after period end.

The Group considers this is a "hold to sell" model and hence these trade receivables are measured at fair value through profit or loss.

The Group is also exposed to credit risk in relation to these trade receivables. The maximum exposure at the end of reporting period is HK\$139,683,000 (31 December 2024: HK\$92,130,000).

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Notes: (continued)

(b) (continued)

The ageing analysis of trade receivables at fair value through profit or loss of the Group, based on invoice dates, as at the end of reporting period is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 1 month	69,031	16,844
Over 1 month but within 3 months	62,651	75,286
Over 3 months but within 1 year	8,001	—
	139,683	92,130

The credit period of sales of goods is 60 to 90 days (31 December 2024: 60 to 90 days) from the invoice date.

- (c) The balance includes a claim of HK\$2,473,000 (31 December 2024: HK\$2,445,000) under an insurance policy.
- (d) The balance includes payment of 25% tariff of US\$11.8 million (approximately HK\$92.4 million) under section 301 of the U.S. Trade Act of 1974 (the "China Section 301 Tariff") as detailed in note 22 and payment of Tax Reserve Certificates of HK\$24.0 million as detailed in note 9.

14. CASH AND BANK BALANCES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Cash and bank balances	1,330,163	1,475,941
Bank deposit pledged for corporate credit card	338	334
Time deposits	806,184	857,748
	2,136,685	2,334,023
Less: Bank deposit pledged for corporate credit card	(338)	(334)
Time deposits with initial maturity of over three months	(157,957)	(156,296)
	(158,295)	(156,630)
Cash and cash equivalents	1,978,390	2,177,393

15. TRADE AND OTHER PAYABLES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade payables	1,235,227	816,145
Provision for employee benefit (note (a))	149,260	129,882
Other tax payables	39,754	36,840
Other payables and accruals (note (b))	95,522	99,315
	1,519,763	1,082,182
Less: Other payables and accruals — non-current portion	(6,188)	(5,868)
Trade and other payables — current portion	1,513,575	1,076,314

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For the six months ended 30 June 2025

15. TRADE AND OTHER PAYABLES (CONTINUED)

Most of trade and other payables and accruals are due to be settled within twelve months.

Notes:

- (a) As at 30 June 2025, provision of employee benefit mainly comprised provision for staff performance bonus, directors' profit sharing and social insurance.
- (b) As at 30 June 2025, other payables and accruals mainly comprised accrued expenses.

The ageing analysis of trade payables of the Group, based on invoice dates, as at the end of reporting period is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 1 month	638,845	536,384
Over 1 month but within 3 months	500,781	263,114
Over 3 months but within 1 year	88,870	12,440
Over 1 year	6,731	4,207
	1,235,227	816,145

16. BORROWINGS

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Bank loans — secured and guaranteed	173,244	177,123
Import loans — guaranteed	927,281	642,410
	1,100,525	819,533

16. BORROWINGS (CONTINUED)

The above borrowings are denominated in HK\$ and US\$ as follows:

	30 June 2025 Denominated in			31 December 2024 Denominated in		
	HK\$ HK\$'000 (Unaudited)	US\$ HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)	HK\$ HK\$'000 (Audited)	US\$ HK\$'000 (Audited)	Total HK\$'000 (Audited)
Bank loans — secured and guaranteed	173,244	—	173,244	177,123	—	177,123
Import loans — guaranteed	94,525	832,756	927,281	642,410	—	642,410
	267,769	832,756	1,100,525	819,533	—	819,533

The repayment schedules of the above borrowings based on the agreed terms of repayment granted by banks are as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 1 year	935,038	650,167
Over 1 year but within 2 years	7,757	7,757
Over 2 years but within 5 years	157,730	161,609
	1,100,525	819,533

- (i) At 30 June 2025, the above borrowings bear interest at effective interest rates ranging from 2.8% to 4.5% (31 December 2024: 2.8% to 4.7%) per annum for the period.
- (ii) At 30 June 2025, leasehold land and building with aggregate carrying value of approximately HK\$348,977,000 (31 December 2024: HK\$353,139,000) was pledged to a bank to secure the mortgage loan of HK\$173,244,000 (31 December 2024: HK\$177,123,000) granted to the Group.
- (iii) At 30 June 2025, bank deposits of HK\$338,000 (31 December 2024: HK\$334,000) were pledged to a bank to secure the corporate credit card granted to the Group.
- (iv) The banks have overriding right of repayment on demand for all bank loans irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations. Therefore, the bank loans were entirely classified as current liabilities in the condensed consolidated statement of financial position.

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For the six months ended 30 June 2025

17. PROVISION FOR PRODUCT WARRANTIES AND RETURNS

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
At beginning of period/year	40,508	41,124
Additional provision, net	6,611	14,809
Utilisation	(8,123)	(15,425)
Net movement for the period/year	(1,512)	(616)
At end of period/year	38,996	40,508

Under the terms of certain sales agreements of the Group, the Group will rectify any product defects arising within two to three years from the date of sales ("Warranty Period"). Provision is therefore made for the best estimate of the expected settlement of warranty under such sales agreements. The amount of provision takes into account the Group's recent claim experience and is only made where a warranty claim is probable.

18. SHARE CAPITAL

	30 June 2025		31 December 2024	
	Number of shares	Amount HK\$'000 (Unaudited)	Number of shares	Amount HK\$'000 (Audited)
Authorised:				
Ordinary shares of HK\$0.10 each	1,000,000,000	100,000	1,000,000,000	100,000
Issued and fully paid:				
Ordinary shares of HK\$0.10 each	387,883,668	38,788	387,883,668	38,788

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

19. CAPITAL COMMITMENTS

As at 30 June 2025 and 31 December 2024, the Group had the following capital commitments contracted for but not provided in respect of:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Acquisition of property, plant and equipment	6,303	6,965

20. RELATED PARTIES AND CONNECTED TRANSACTIONS

The directors of the Company represented the key management personnel of the Company. The emoluments paid or payable to the key management personnel were as follows:

	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Short-term employee benefits	41,923	35,161
Post-employment benefits	11	21
	41,934	35,182

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For the six months ended 30 June 2025

21. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The following table shows the carrying amount of financial assets and liabilities:

	30 June 2025 Carrying amount HK\$'000 (Unaudited)	31 December 2024 Carrying amount HK\$'000 (Audited)
Financial assets		
Financial assets at fair value through profit or loss		
— Trade receivables at fair value through profit or loss	139,683	92,130
Financial assets at amortised cost		
— Cash and bank balances	2,136,685	2,334,023
— Trade and other receivables	1,156,623	768,160
Financial asset at FVTOCI		
— Unlisted equity investment	1,268	1,268
Financial liabilities		
Financial liabilities at amortised cost		
— Trade and other payables	1,330,749	915,460
— Borrowings	1,100,525	819,533
— Lease liabilities	100,863	110,982

21. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (CONTINUED)

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Group 30 June 2025 (Unaudited)			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss				
— Trade receivables at fair value through profit or loss	—	139,683	—	139,683
Financial asset at FVTOCI				
— Unlisted equity investment	—	—	1,268	1,268
	—	139,683	1,268	140,951

	Group 31 December 2024 (Audited)			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss				
— Trade receivables at fair value through profit or loss	—	92,130	—	92,130
Financial asset at FVTOCI				
— Unlisted equity investment	—	—	1,268	1,268
	—	92,130	1,268	93,398

There were no transfers between levels during the period/year.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2025

21. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (CONTINUED)

Reconciliation for financial instrument carried at fair value based on significant unobservable inputs (Level 3) are as follows:

Unlisted equity investment

	Financial asset at FVTOCI	
	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
At beginning of period/year	1,268	1,268
Total gains or losses:		
— in other comprehensive income (included in changes in fair value of financial asset at FVTOCI)	—	—
At end of period/year	1,268	1,268

(a) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and bank balances, trade and other receivables, trade and other payables and borrowings.

Due to their short term nature, the carrying values of cash and bank balances, trade and other receivables, trade and other payables and borrowings approximate to their fair values.

21. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (CONTINUED)

(b) Financial instruments measured at fair value

The fair value of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of level 2 and level 3 financial instruments, as well as the relationship between key observable inputs and fair value are set out below.

Information about level 2 fair value measurements

The fair value of trade receivables at fair value through profit or loss is determined based on the weighted- average discount rates applicable to trade receivables factored without recourse during the period/ year.

Information about level 3 fair value measurements

As at 30 June 2025, the fair value of the unlisted equity investment in Dreamscape Immersive Inc. is estimated by using the market approach and option pricing model based on the enterprise value to sales ratios of comparable companies. The valuation technique adopts expected enterprise value to sales ratio of 4.51 (31 December 2024: 4.51), volatility of 43.42% (31 December 2024: 43.42%) and risk-free rate of 4.42% (31 December 2024: 4.42%) as key unobservable inputs.

As at 30 June 2025 and 31 December 2024, the fair value measurement is positively correlated to the enterprise value to sales ratio. It is estimated that with all other variables held constant, an increase/decrease in enterprise value to sales ratio by 1 would have increased/decreased the Group's other comprehensive income by approximately HK\$437,000 (31 December 2024: HK\$433,000) and HK\$368,000 (31 December 2024: HK\$364,000) respectively.

The Group considers that changes in the volatility and risk-free rate to the valuation technique disclosed above would not have a significant effect on fair value of the unlisted equity investment as at 30 June 2025 and 31 December 2024.

22. CONTINGENT LIABILITY

Included in the sales of products to the U.S.A. was the Group's own brand VGA cards, which are imported to the U.S.A. under the tariff code for video game consoles and machines for custom declaration for the period from 30 July 2020 to 2 January 2023. In 2023, the Group identified a classification issue on import declaration of VGA cards that U.S. Customs and Border Protection ("CBP") determined these VGA cards HTSUS Code 8473.30.1180 (for "parts and accessories of the machines of heading 8471, not incorporating a cathode ray tube") which falls under List 3 of the Section 301 of the U.S. Trade Act of 1974 (the "China Section 301 Tariff"). Such classification would lead to a 25% tariff under China Section 301 Tariff for products imported during the period between 1 January 2021 and 11 October 2021, and the estimated amount of the potential tariff approximates US\$25 million (approximately HK\$198.3 million). Under lawyer's advice, the Group took an initiative to rectify the declaration in CBP in order to avoid additional penalty on unreported tariff.

On the basis of the professional advice, the Directors are of view that it was not probable that an outflow of economic benefits will be required on the above classification issue on declaration of imported goods to the U.S.A.

In July 2024, the Group filed a litigation protest to CBP to put forth that no tariffs should be payable for these products imported during certain different periods.

At date of this reporting period, the Group had paid US\$11.8 million (approximately HK\$92.4 million) of the total contingent liability of US\$25 million (approximately HK\$198.3 million) in connection with filing the litigation protest and consequently, this payment was recorded as other receivable in the condensed consolidated statement of financial position as set out in note 13(d). Up to the date of this report, there is no further payment.