BEST LINKING GROUP HOLDINGS LIMITED
永聯豐集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9882)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

Six months ended 30 June	**2025**	2024	+/(-)
RESULTS ***(in HK$'000)***			
Revenue	**103,007**	45,999	123.93%
Gross profit	**16,054**	18,031	(10.96%)
Operating profit	**3,079**	10,843	(71.60%)
Profit attributable to the owners of the Company	**1,540**	9,949	(84.52%)
Basic and diluted earnings per share *(HK cents per share)*	**0.2**	1.2	(83.33%)

	As at 30 June 2025	As at 31 December 2024	+/(-)
KEY BALANCE SHEET ITEMS ***(in HK$'000)***			
Total current assets	**141,003**	145,088	(2.82%)
Total assets	**169,454**	167,967	0.89%
Net current assets	**112,168**	114,713	(2.22%)
Total equity	**139,097**	135,430	2.71%

INTERIM RESULTS

The board of Directors (the "**Board**") of Best Linking Group Holdings Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2025 (the "**Reporting Period**"), which has been reviewed by the Audit Committee of the Company, together with the comparative unaudited figures for the corresponding period in 2024 (the "**1H2024**") are as follows:

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Note	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	*4*	**103,007**	45,999
Cost of sales		**(86,953)**	(27,968)
Gross profit		**16,054**	18,031
Other income		**417**	1,636
Other losses, net		**(1,296)**	(265)
Selling and distribution expenses		**(3,532)**	(1,028)
Administrative expenses		**(8,564)**	(7,531)
Operating profit		**3,079**	10,843
Finance income		**603**	425
Finance cost		**(946)**	(10)
Finance (cost)/income, net		**(343)**	415
Profit before income tax	*5*	**2,736**	11,258
Income tax expense	*6*	**(1,196)**	(1,309)
Profit for the period		**1,540**	9,949
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		**2,127**	(1,840)
Total comprehensive income for the period		**3,667**	8,109
Earnings per share		***HK cents***	*HK cents*
Earnings per share for profit attributable to equity holders of the Company for the period			
Basic and diluted earnings per share *(HK cents per share)*	*7*	**0.2**	1.2

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	**As at 30 June 2025 HK$'000 (Unaudited)**	As at 31 December 2024 HK$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	*9*	**19,890**	20,875
Intangible assets	*10*	**1,440**	1,603
Investment in life insurance contract		**6,712**	–
Prepayments and deposits		**166**	166
Deferred tax assets		**243**	235
		28,451	22,879
Current assets			
Inventories		**40,905**	35,157
Trade receivables	*11*	**33,060**	24,764
Prepayments, deposits and other receivables		**3,475**	8,305
Current income tax recoverable		**2,201**	2,334
Pledged bank deposit		**10,000**	15,076
Cash and cash equivalents		**51,362**	59,452
		141,003	145,088
Total assets		**169,454**	167,967
EQUITY			
Equity attributable to owners of the Company			
Share capital		**4,000**	4,000
Reserves		**135,097**	131,430
Total equity		**139,097**	135,430
LIABILITIES			
Non-current liability			
Lease liabilities		**1,277**	1,731
Deferred tax liabilities		**245**	431
		1,522	2,162
Current liabilities			
Trade payables	*12*	**9,781**	11,576
Bank borrowings		**16,115**	9,854
Contract liabilities		**–**	4,084
Accruals and other payables		**1,995**	3,841
Current income tax liabilities		**26**	–
Lease liabilities		**918**	1,020
		28,835	30,375
Total liabilities		**30,357**	32,537
Total equity and liabilities		**169,454**	167,967

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six month ended 30 June 2025

	Attributable to owners of the Company						
	Share capital *HK$'000*	Share premium *HK$'000*	Capital reserve *HK$'000* *Note a*	Statutory reserve *HK$'000* *Note b*	Exchange reserve *HK$'000* *Note c*	Retained earnings *HK$'000*	Total *HK$'000*
Balance at 1 January 2024 (audited)	4,000	–	13,000	6,361	(3,072)	127,371	147,660
Profit for the period	–	–	–	–	–	9,949	9,949
Other comprehensive loss							
Currency translation differences	–	–	–	–	(1,840)	–	(1,840)
Total comprehensive (loss)/income for the period	–	–	–	–	(1,840)	9,949	8,109
Transactions with equity holders:							
Dividend paid	–	–	–	–	–	(16,000)	(16,000)
Transfer to statutory reserve	–	–	–	655	–	(655)	–
	–	–	–	655	–	(16,655)	(16,000)
Balance at 30 June 2024 (unaudited)	4,000	–	13,000	7,016	(4,912)	120,665	139,769

	Attributable to owners of the Company						
	Share capital	Share premium	Capital reserve	Statutory reserve	Exchange reserve	Retained earnings	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
			Note a	*Note b*	*Note c*		
Balance at 1 January 2025 (audited)	**4,000**	**–**	**13,000**	**6,770**	**(5,592)**	**117,252**	**135,430**
Profit for the period	–	–	–	–	–	1,540	1,540
Other comprehensive income							
Currency translation differences	–	–	–	–	2,127	–	2,127
Total comprehensive income for the period	–	–	–	–	2,127	1,540	3,667
Transactions with equity holders:							
Transfer from statutory reserve	–	–	–	(148)	–	148	–
	–	–	–	(148)	–	148	–
Balance at 30 June 2025 (unaudited)	**4,000**	**–**	**13,000**	**6,622**	**(3,465)**	**118,940**	**139,097**

Notes:

(a) Capital reserve

Capital reserve of the Group represented the difference between the net asset value of the subsidiaries acquired pursuant to the reorganisation on 21 December 2018, over the nominal value of the share capital of the Company issued in exchange thereof.

(b) Statutory reserve

The PRC laws and regulations require companies registered in the PRC to provide for certain statutory reserves, which are to be appropriated from the profit after income tax (after offsetting accumulated losses from prior years) as reported in their respective statutory financial statements, before distribution of profits to equity holders. All statutory reserves are created for specific purposes. A PRC-incorporated company is required to appropriate an amount of not less than 10% of statutory profit after income tax to statutory surplus reserves, prior to distribution of its post-tax profits of the current year. A company may discontinue the contribution when the aggregate sum of the statutory surplus reserve is more than 50% of its registered capital. The statutory surplus reserves shall only be used to make up losses of the company, to expand the company's operation, or to increase the capital of the company. In addition, a company may make further contribution to the discretional surplus reserve using its post-tax profits in accordance with resolutions of the board of directors.

(c) Exchange reserve

Exchange reserve of the Group comprises all currency translation differences arising from translation differences of the financial statements of the Group's subsidiaries in Japan and the PRC.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
Cash flows from operating activities		
Cash (used in)/generated from operations	**(7,763)**	8,860
Income tax paid	**(1,222)**	(981)
Interest received	**603**	425
Net cash (used in)/generated from operating activities	**(8,382)**	8,304
Cash flows from investing activities		
Purchases of property, plant and equipment	**(1,752)**	(129)
Acquisition of life insurance contract	**(8,528)**	–
Net cash used in investing activities	**(10,280)**	(129)
Cash flows from financing activities		
Payment of principal elements of lease liabilities	**(556)**	(130)
Bank borrowings raised	**46,713**	–
Repayment of bank borrowings	**(40,452)**	(8,093)
Refund of pledged bank deposit	**5,076**	–
Payment of pledged bank deposit	**–**	(24)
Dividend Paid	**–**	(16,000)
Net cash generated from/(used in) financing activities	**10,781**	(24,247)
Decrease in cash and cash equivalents	**(7,881)**	(16,072)
Cash and cash equivalents at beginning of the period	**59,452**	54,891
Currency translation differences	**(209)**	(71)
Cash and cash equivalents at end of the period	**51,362**	38,748

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 26 October 2018 as an exempted company with limited liability under the Companies Act (2022 Revision) (as consolidated or revised from time to time) of the Cayman Islands. Its shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 31 October 2019 and were transferred to the listing on the Main Board of the Stock Exchange on 28 September 2023. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The ultimate holding company of the Company is C Centrum Holdings Limited, a company incorporated in British Virgin Islands and wholly-owned by Mr. Chan Yuk Pan.

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacturing and trading of slewing rings, mechanical parts and components, and trading of machineries, mechanical parts and minerals (the "**Business**").

The interim condensed consolidated financial information are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand (HK$'000), unless otherwise stated. This unaudited interim condensed consolidated financial information was reviewed by the Company's Audit Committee and approved by the board of directors of the Company on 13 August 2025.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

This interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all of the notes normally included in annual consolidated financial statements. Accordingly, this announcement should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the annual consolidated financial statements for the year ended 31 December 2024, as described in those annual consolidated financial statements.

2.1 New and amended standards adopted by the Group

A number of amended standards and interpretations became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards and interpretations.

2.2 New and amended standards which have been issued but are not yet effective and have not been early adopted by the Group

Certain amendments made to accounting standards have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group. The Group is in the process of assessing the impact of adopting these amendments to accounting standards on its current or future reporting periods and on foreseeable future transactions.

3 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim condensed consolidated financial information, the critical estimates and judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

4 REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive Directors of the Group.

Management has determined the operating segments based on the information reviewed by our executive director for the purpose of allocating resources and assessing performance. The only component in internal reporting to the executive directors is our Group's manufacturing and trading of slewing rings, mechanical parts and components, trading of machineries, mechanical parts and minerals for the Reporting Period. In this regard, management considers there is only one operating segment under the requirements of HKFRS 8 "Operating Segments".

The Directors assess the performance of the operating segment based on a measure of revenue and gross profit.

All of the Group's revenue are from contracts with customers and are recognised at a point in time.

5 PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived in the manner including the material expenses as shown below:

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cost of inventories and consumable	**82,197**	23,055
Wages, salaries, bonuses and other benefits	**6,735**	6,257
Retirement benefit costs — defined contribution plans	**428**	440
Mandatory provident fund scheme	**79**	81
Employee benefit expenses, including directors' emoluments	**7,242**	6,778
Depreciation — Property, plant and equipment	**3,269**	2,236
Amortisation — intangible assets	**163**	–
Legal and professional fees	**1,034**	1,415
Other expenses	**5,144**	3,043
	99,049	36,527

6 INCOME TAX EXPENSE

The amount of income tax expense charged to the unaudited interim condensed consolidated statement of comprehensive income represents:

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current income tax		
— PRC enterprise income tax	**21**	593
— Over provision of prior periods	**(132)**	–
— Hong Kong profits tax	**1,007**	716
Total current income tax	**896**	1,309
Deferred income tax	**(186)**	–
Withholding tax on dividends *(note)*	**486**	–
Income tax expense	**1,196**	1,309

(note)

The PRC tax law imposes a withholding tax at 5% for dividends declared by the PRC subsidiaries to its immediate holding company outside the PRC for remitted earnings. As at 30 June 2025, the deferred tax liabilities for withholding taxes have not been provided on unremitted earnings (as at 31 December 2024: HK$nil).

7 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue. The weighted average number of ordinary shares for such purpose has been retrospectively adjusted for the effects of the issue of shares in connection with the capitalisation of shares.

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit attributable to the owners of the Company	**1,540**	9,949
Weighted average number of shares in issue *(thousand)*	**800,000**	800,000
Basic earnings per share *(HK cents per share)*	**0.2**	1.2

On 17 May 2024, the shareholders of the Company in the annual general meeting of the Company approved the share subdivision of which each issued and unissued existing ordinary share of a par value of HK0.01 each in the share capital of the Company was subdivided into two ordinary shares of a par value of HK0.005 each in the share capital of the Company (the "**Share Subdivision**").

The weighted average number of ordinary shares for the purpose of basic earnings per share for the period ended 30 June 2024 has been adjusted for the Share Subdivision on 21 May 2024 as if they have taken place since the beginning of the period.

Diluted earnings per share for the Reporting Period were the same as the basic earnings per share as there was no potential dilutive ordinary shares outstanding during the periods.

8 DIVIDENDS

The Board does not recommend the payment of an interim dividend for the Reporting Period.

9 PROPERTY, PLANT AND EQUIPMENT

During the Reporting Period, the Group acquired property, plant and equipment of approximately HK$1.8 million (1H2024: HK$0.1 million) in value.

10 INTANGIBLE ASSETS

During the Reporting Period, the Group did not acquire/dispose of any intangible assets.

11 TRADE RECEIVABLES

The ageing analysis of the trade receivables by due date, was as follows:

	30 June 2025 *HK$'000* **(Unaudited)**	31 December 2024 *HK$'000* (Audited)
Current	**16,794**	13,058
1–30 days past due	**6,483**	1,491
31–60 days past due	**3,609**	2,350
61–90 days past due	**1,213**	1,582
Over 90 days past due	**4,961**	6,283
	33,060	24,764

The Group's sales are on credit terms primarily from 60 days to 120 days.

12 TRADE PAYABLES

The ageing analysis of the trade payables, based on invoice date, was as follows:

	30 June 2025 *HK$'000* **(Unaudited)**	31 December 2024 *HK$'000* (Audited)
Up to 30 days	**5,715**	160
31–60 days	**3,007**	161
61–90 days	**–**	–
Over 90 days	**1,059**	11,255
	9,781	11,576

The average credit period taken for trade purchase is generally from 0–90 days.

13 RELATED PARTY TRANSACTIONS

For the purposes of these interim condensed consolidated financial information, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

The following transactions were carried out between the Group and its related parties during the Reporting Period. In the opinion of the directors of the Company, the related party transactions were carried out in the ordinary course of business, at terms negotiated and mutually agreed between the Group and the respective related parties.

(a) Except for those disclosed below and elsewhere on the interim condensed consolidated financial information, the Group had no other significant transactions with related parties.

	Six months ended 30 June	
	2025 *HK$'000* **(Unaudited)**	2024 *HK$'000* (Unaudited)
Sales of mechanical parts and components		
— South Wing Machinery Co., Limited *(note)*	**100**	–
Lease payments for the warehouse		
— Ever Genius (Asia) Limited *(note)*	**498**	–

Notes:

South Wing Machinery Company Limited ("**South Wing**")	A company indirectly wholly-owned by Mr. Chan Wing Tin, the father of Mr. Chan Yuk Pan and Mr. Chan Lung Pan
Ever Genius (Asia) Limited ("**Ever Genius**")	A company indirectly wholly-owned by Mr. Chan Wing Tin, the father of Mr. Chan Yuk Pan and Mr. Chan Lung Pan

(b) Balance with a related party:

	30 June 2025	31 December 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Amount due from a related party:		
— South Wing	**100**	1,111
Amount due to a related party:		
— South Wing	**–**	6,954

As at 30 June 2025, the amounts due from/to a related party is non-interest bearing, unsecured, on payment terms of 90 days and denominated in HK$. The carrying amounts approximate to their fair values due to their short maturities. (31 December 2024: same)

(c) Key management compensation

Key management include executive Directors and the senior management of the Group. The compensation paid or payable to key management is shown below:

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Salaries, allowances and benefits in kind	**1,403**	1,295
Retirement benefit costs — defined contribution plans	**34**	34
	1,437	1,329

14 CAPITAL COMMITMENTS

As at 30 June 2025, the Group did not have any significant capital commitment (31 December 2024: Nil).

15 CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any significant contingent liability (31 December 2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a leading premium slewing ring manufacturer in the PRC. We are also a comprehensive products provider for mechanical parts and components and machineries which are used mainly in construction and mining sites. The Group also expanded the product coverage in sourcing to include minerals and related products.

We manufacture slewing rings that conform to the Japanese Industrial Standards ("**JIS**"), which is regarded as a standard with higher quality control requirements than that produced in many other countries in the world. Since 2020, the Group has developed new products and a wider range of servicing by manufacturing other mechanical parts and components for machineries besides slewing rings to seize the business opportunities and to satisfy the need of our customers. The machineries and mechanical parts supplied by the leading suppliers in Japan were fit for the Group's sourcing needs and with specifications not commonly supplied by other market suppliers.

We expanded our capability to include manufacturing of mechanical parts and components such as sprocket, track shoes and rollers, which are commonly sought by our customers alongside our slewing rings, on ODM basis. We also source other mechanical parts and components for our customers. Further, as a supplier of slewing rings under OEM basis to leading suppliers in Japan for over 10 years, we are in a position to source excavators and other heavy duty machineries directly. We further extend our heavy duty machineries offering other types of machineries such as pile drivers, wheel loaders and trucks.

2024 was a year full of challenges and so was the first half of 2025. The lack of momentum for economic recovery in certain countries, compounded by the looming shadow of high interest rates, posed challenges to the global business environment. The global economic situation has continued to deteriorate in 2025, U.S. tax and trade policies have significantly impacted import and export activities. The economic development in China was still hit by a number of factors, such as the default in the repayment of debts of renowned property developers and the slump of the property market. As a result, even after the Covid-19 pandemic tapered off and the cross border activities between Hong Kong and the PRC resumed, the degree of economy rebound in Hong Kong and the PRC in recent years are still not up to the level of expectation.

The Group's principal business faced challenges posed by the keen competition in the market and economic uncertainties. The Directors are well aware of the importance for the Group to continue identifying new business opportunities. In early 2024, the Group decided to expand its products coverage in sourcing to include minerals and related products. Since the Company's transfer of listing to the Main Board of the Stock Exchange, the Group's customers have increasingly made enquiries on whether the Group could provide a wider scope of products, most notably in connection with the excavation machineries used for mining. Our Group sees opportunities in the trading of minerals, and wishes to capture such business opportunity and synergies in broadening its business scope. It will also create more opportunities for the Group to sell more mechanical parts and components and machineries directly to the mine owners, thus strengthening the business and profitability of the Group. During the Reporting Period, the Group has established a network of supply of minerals excavated from such mines, for resale to customers of the Group.

With a well-established presence in the industry of over 17 years, the Group has demonstrated remarkable risk resilience, underpinned by a wealth of industry expertise, substantial capital financials and a base of international and local customers. The Group reported revenue of HK$103.0 million and gross profit of HK$16.1 million for the Reporting Period. The overall performance in gross profit of the Group during the Reporting Period has decreased slightly as compared with the 1H 2024 despite the increase in revenue.

Notwithstanding the Group's revenue increased by 123.9% to HK$103.0 million for the Reporting Period, as compared to HK$46.0 million for 1H 2024, the Group's gross profit slightly decreased by approximately 10.6% to HK$16.1 million for the Reporting Period, as compared to HK$18.0 million for 1H 2024. This was mainly attributable to the decrease in gross profit margin due to the change in product mix, marked by a decrease in the sales of slewing rings (which has a higher profit margin) despite there was an increase in the sales of brand new machineries and minerals (which have a lower profit margin).

FINANCIAL REVIEW

REVENUE

The Group's revenue increased by 123.9% or HK$57.0 million from HK$46.0 million for 1H 2024 to HK$103.0 million for the Reporting Period.

The following tables set forth the breakdown of our revenue and quantities sold by product category for the Reporting Period and 1H 2024:

	For the six months ended 30 June					
	2025		2024		+/(-)	
	HK$'000	*(%)*	*HK$'000*	*(%)*	*HK$'000*	*(%)*
	(Unaudited)		(Unaudited)			
Revenue						
Slewing rings						
— ODM	**6,681**	**6.5**	16,798	36.5	(10,117)	(60.2)
— OEM	**672**	**0.7**	115	0.3	557	484.3
— OBM	**1,180**	**1.1**	385	0.8	795	206.5
— Others	**17**	**0.0**	–	–	17	N/A
	8,550	**8.3**	17,298	37.6	(8,748)	(50.6)
Mechanical parts and components						
— ODM	**1,641**	**1.6**	4,515	9.8	(2,874)	(63.7)
— Others	**12,981**	**12.6**	4,174	9.1	8,807	211.0
	14,622	**14.2**	8,689	18.9	5,933	68.3
Machineries						
— Machineries	**55,673**	**54.0**	11,411	24.8	44,262	387.9
	55,673	**54.0**	11,411	24.8	44,262	387.9
Minerals						
— NICKEL ORE	**24,162**	**23.5**	8,601	18.7	15,561	180.9
	24,162	**23.5**	8,601	18.7	15,561	180.9
Total	**103,007**	**100.0**	45,999	100.0	57,008	123.9

	For the six months ended 30 June					
	2025		2024		+/(-)	
	Sets	***(%)***	*Sets*	*(%)*	*Sets*	*(%)*
Quantities sold						
Slewing rings						
— ODM	**610**	**0.7**	1,210	21.1	(600)	(49.6)
— OEM	**306**	**0.3**	39	0.7	267	684.6
— OBM	**66**	**0.1**	4	0.1	62	1,550.0
— Others	**6**	**0.0**	–	–	6	N/A
	988	**1.1**	1,253	21.9	(265)	(21.1)
Mechanical parts and components						
— ODM	**3,913**	**4.2**	1,248	21.8	2,665	213.5
— Others	**88,115**	**94.6**	3,192	55.7	84,923	2,660.5
	92,028	**98.8**	4,440	77.5	87,588	1,972.7
Machineries						
— Machineries	**147**	**0.2**	39	0.7	108	276.9
	147	**0.2**	39	0.7	108	276.9
Total	**93,163**	**100.0**	5,732	100.0	87,431	1,525.3

	For the six months ended 30 June					
	2025		2024		+/(-)	
	Tonnes	***(%)***	*Tonnes*	*(%)*	*Tonnes*	*(%)*
Quantities sold						
Minerals						
— NICKEL ORE	**215,710**	**100.0**	54,600	100.0	161,110	295.1
	215,710	**100.0**	54,600	100.0	161,110	295.1
Total	**215,710**	**100.0**	54,600	100.0	161,110	295.1

Slewing rings

The Group manufactures slewing rings that conform to the JIS for local and overseas customers primarily on original design manufacturing ("**ODM**"), original equipment manufacturing ("**OEM**") and original brand manufacturing ("**OBM**") basis. Meanwhile, the Group also sources slewing rings not manufactured by the Group for its customers. The Group's business leverages on its in-depth market knowledge and know-how accumulated through years of experience since the Group's inception. The Group is able to produce a diverse range of slewing rings for its customers. The Group can also manufacture slewing rings which have already ceased production for its customers.

Our business is primarily focused on manufacturing slewing rings for local and overseas customers on an ODM basis. Our ODM customers include companies engaged in the wholesale and trading of heavy duty machineries and their related parts and components. They re-sell the products supplied by the Group to end-users in the market. We work out the design as well as all technical specifications from start to finish for our ODM customers, based on their preliminary inputs. The products we sold are used to replace worn out slewing rings of existing machineries under usage, or for assembly of new machineries. In the case of slewing rings used for replacement purposes, we are able to customise our production process to manufacture slewing rings which have already ceased production to suit machineries which are not in production any more. Being in a position to produce slewing rings up to the premium standard under JIS is of significant importance to our ODM customers and this standard is hence applicable to our slewing rings sold to our customers on an ODM basis.

In addition, the Group manufactures for some overseas customers on an OEM basis. Our OEM customers include leading Japanese manufacturers of various machineries and equipments or their affiliates. Our OEM business involves the manufacture and sale of products based on customers' specifications and guidelines. In respect of our OEM customers, we are usually provided with technical drawings and we are not required to participate in the design of these products. Our OEM customers normally provide us with all specifications and standards they require and we have to strictly adhere to the standards required during the production process. Slewing rings so produced will be applied by our OEM customers directly on their heavy duty machineries. Most of our OEM customers are Japanese manufacturers or their affiliates, which require us to produce slewing rings in conformity to the JIS.

The Group also derives its revenue from the sales of our proprietary branded products under OBM basis. We sold our OBM products under our own brands to customers located in six locations including the PRC, Hong Kong, Taiwan, Malaysia, the Philippines, Thailand and USA. Our OBM customers are mainly wholesalers or traders. For slewing rings manufactured under the OBM basis, we are in-charge of the product packaging including its design. Similar to our ODM products, the level of our participation in the design of slewing rings so produced depends on whether our OBM customers will provide us with the technical details. The slewing rings sold to our OBM customers commonly adopt a quenching standard of JIS.

The Group sources slewing rings not manufactured by the Group for its customers. These slewing rings are mainly models which we do not manufacture currently as (i) they maybe of lower quality and their production may require raw materials which we do not have; or (ii) they are of small quantity and not commercially justifiable for us to spend efforts on product development for such small scale productions; or (iii) they are of sizes which we do not manufacture.

The Group has an international customer base and is able to produce slewing rings which on one hand conform to the JIS, and at the same time meet the requirements of both ODM and OBM customers. Because of the Group's edge over other suppliers, the Group attracted several new ODM customers which contributed to the increasing revenue of both the manufacturing and the sourcing business since 2021. These new customers included a nominated supplier of a theme park and resort in Hong Kong, which the Group sourced slewing rings for and delivered to the theme park as instructed by such nominated supplier and a subsidiary of a then listed company on the Singapore Exchange Limited which has been the Group's customer for over 10 years. Such group was principally engaged in the distribution of heavy machineries and diesel engine parts and has an international customer base. Furthermore, one of our largest customers has enlarged its customer base and increased the demand of our larger size slewing rings which led to the increase in our revenue and profits.

During the Reporting Period, revenue from slewing rings decreased by approximately HK$8.7 million to HK$8.6 million, as compared to HK$17.3 million for 1H 2024, representing a decrease of 50.6%.

The decrease in revenue was mainly attributed to the decrease of sales of slewing rings in the ODM of approximately HK$10.1 million, while the revenue generated in value of the OEM and OBM of slewing rings for customers was slightly increased by HK$0.6 million and HK$0.8 million, from HK$0.1 million and HK$0.4 million in 1H 2024 to HK$0.7 million and HK$1.2 million during the Reporting Period, respectively.

The decrease in ODM business was attributed from the decrease in business from the Association of Southeast Asian Nations (ASEAN) region and the sales to the customers of the region decreased by approximately HK$10.1 million during the Reporting Period. Despite strong tourism activity from many countries, the downturn in manufacturing, construction and property market were affected by high interest rates and impact from tight monetary policy, leading to the decrease in demand by 600 units in the ODM business.

During the Reporting Period, the Group would like to broaden the sources of revenue to further develop its business, and to ultimately promote its goals and maximise the contribution of revenue in slewing rings. The Group has increased its efforts to promote the OEM and OBM business. Our current market share remains modest and there is considerable potential for improvement. The increase in OEM business was mainly attributed by the PRC market, by HK$0.6 million and the increase in OBM business was mainly attributed by the Hong Kong, New Zealand and Taiwan markets, by HK$0.7 million. Meanwhile, during the Reporting Period, Kyoei HK, an indirect wholly-owned subsidiary of the Company incorporated Kyoei Corporation Japan Limited ("**Kyoei JP**"), a wholly-owned subsidiary of Kyoei HK, in Japan. The Group is actively developing its OEM business in Japan.

The sales of slewing rings accounted for approximately 8.3% and 37.6% in our total revenue for the Reporting Period and 1H 2024, respectively, and approximately 20.9% and 50.0% of the Group's total gross profit for the Reporting Period and 1H 2024, respectively. The overall quantities of the slewing rings sold for the Reporting Period decreased by 265 units, representing a decrease of 21.1% as compared to 1H 2024.

Mechanical parts and components

To implement our business strategy to expand our slewing rings business, we have utilised part of the net proceeds from the listing on GEM to acquire a number of new equipments which enabled us to expand our production capability to include manufacturing of mechanical parts and components such as sprocket, track shoes and rollers, which are commonly sought by our customers alongside our slewing rings. These mechanical parts and components are manufactured on ODM basis where our customers require mechanical parts and components to fulfil specific functions and specifications to suit their needs. The manufacturing of these mechanical parts and components requires production techniques and multiple production processes which are similar to the production of slewing rings. Depending on the quantities, our capabilities and availability of machines as well as marketing strategies, we may either fulfil customer's orders by procuring semi-finished parts and components for further manufacturing or sourcing the finished products from the market.

The expansion of our business into the sale of mechanical parts and components is complementary to our principal business of manufacturing and sales of slewing rings. It enables us to offer a comprehensive line of products to our customers which had further strengthened our business relationships with our customers, resulting in recurring purchase orders being placed with us. Besides the ODM business, we also source the mechanical parts and components mainly for construction and mining use. The mechanical parts and components we sourced were broad in range, including telescopic boom, clamshell, bolts, oil seal kits, etc. We sold over 10 different kinds of mechanical parts and components. Similar to slewing rings, most mechanical parts and components are consumable parts which require routine replacement over a period of usage.

The revenue from the sales of mechanical parts and components increased by approximately 68.3% period-on-period or HK$5.9 million to HK$14.6 million for the Reporting Period.

The increase in revenue was mainly attributed to the increase of sales in sourcing business, of approximately HK$8.8 million, net off by the decrease in ODM business, of approximately HK$2.9 million. The increase in revenue of sourcing mechanical parts and components was mainly attributable to the increase in the sales to customers in the Philippines, as the customers in Philippines are mainly contractors and because of the increase in demand from the construction and mining business, it led to a increase in the need of the mechanical parts and components for machineries used in construction and mining sites. Construction and mining activities in the Philippines returned to normal in 2025, following disruptions caused by strong rains and winds due to an early onset of the rainy season in 2024. The revenue of mechanical parts and components on sourcing basis to the Filipino market amounted to approximately HK$11.2 million and HK$2.9 million for the Reporting Period and 1H 2024, respectively.

The revenue of mechanical parts and components on ODM basis amounted to approximately HK$1.6 million and HK$4.5 million for the Reporting Period and 1H 2024, respectively. The decrease in revenue of ODM mechanical parts was mainly attributable to the decrease in the order from the customers in Singapore. Most of the mechanical parts imported into Singapore are eventually re-exported to other regions such as the U.S. and Europe, etc.

The mechanical parts and components accounted for approximately 14.2% and 18.9% in the total revenue of the Group for the Reporting Period and 1H 2024, respectively, amounting to approximately 27.9% and 18.9% of the Group's total gross profit for the Reporting Period and 1H 2024, respectively.

Machineries

As a supplier of slewing rings under OEM basis to a leading machinery and parts supplier in Japan for over 10 years, we have developed a long term business relationship with this leading Japanese heavy duty machinery brand and are in a position to source excavators and heavy duty machineries directly from its affiliates. We have also developed a long term business relationship with a long established second-hand heavy equipment wholesaler, for over five years. To cater the needs of our customers, upon receiving their requests, we will source both brand new and used Japanese brand excavators for them for construction and/or mining purposes.

With the expansion of our customer and supplier base alongside our business operations over the years and as a supplier of slewing rings to a number of Japanese brand machinery manufacturers, we received requests from our customers from time to time when they were in need of other machineries such as pile drivers, trucks and wheel loaders. Depending on the availability of such products from our suppliers, we may procure these machineries for them on an ad-hoc basis.

On 1 November 2024, the Group entered into the agreement (the "**Purchase Frameworks Agreement**") in relation to the purchase of heavy duty machineries from South Wing Machinery Company Limited ("**South Wing**"), which is a connected person of the Group. For details of the continuing connected transaction, please refer to the announcement of the Company published on 1 November 2024 and Report of the Directors of this announcement. Given South Wing has over 25 years of experience with vast and established connections in the sales of heavy duty machineries, as well as having been a distributor of brand new construction machineries for the brands of Sumitomo, IHI, Nippon Sharyo and Kubota for resale in the South-East Asia region, including in particular Hong Kong, Japan, South Korea and Singapore, the Group intends to purchase brand new excavators and generators mainly from South Wing. The Directors consider that the Purchase Framework Agreement will facilitate the Group to acquire a range of products for resale to the Group's customers, thus implementing the business development plan of broadening the range of products offered by the Group and diversifying the suppliers network.

The Group's revenue from the sales of machineries amounted to approximately HK$55.7 million and HK$11.4 million for the Reporting Period and 1H 2024. The revenue from promising sales increased by approximately 388.5% period-on-period or HK$44.3 million to HK$55.7 million for the Reporting Period. The increase was mainly attributable to the increase in the orders placed by contractor customers in the Philippines, with the sales in machineries amounted to HK$39.0 million during the Reporting Period as compared to HK$0.7 million in 1H 2024. Similar to the increase in demand of mechanical parts and components, the increase in demand of machineries especially the used construction machinery was mainly attributable to the back to normal mining and construction business in Philippines in 2025.

The machineries accounted for approximately 54.0% and 24.8% in the total revenue of the Group for the Reporting Period and 1H 2024, respectively, amounting to approximately 38.1% and 17.5% of the Group's total gross profit for the Reporting Period and 1H 2024, respectively.

Minerals

In the beginning of 2024, the Group decided to expand its products coverage in sourcing to include minerals and related products. Since the Transfer of Listing, the Group's customers have increasingly made enquiries on whether the Group could provide a wider scope of products, most notably in connection with the excavation machineries used for mining. The Group sees opportunities in the trading of minerals, and wishes to capture such business opportunity and synergies in broadening its business scope. It will also create more opportunities for the Group to sell more mechanical parts and components and machineries directly to the mine owners, thus strengthening the business base and profitability of the Group. During the Reporting Period, the Group has established a network to enable minerals excavated from such mines, to be sold to customers of the Group.

Our revenue from the sales of minerals amounted to approximately HK$24.2 million and HK$8.6 million for the Reporting Period and 1H 2024. Since 2024, the Group had undergone negotiations with several mine owners based in the Southeast Asia region and we were able to secure the supply of minerals excavated from such mines, for resale to our customers. The minerals we sold during the Reporting Period included nickel ore, a natural mineral which is extensively used in alloying — particularly with chromium and other metals to produce stainless and heat-resisting steel.

The minerals accounted for approximately 23.5% and 18.7% in the total revenue of the Group for the Reporting Period and 1H 2024, respectively, amounting to approximately 13.1% and 7.1% of the Group's total gross profit for the Reporting Period and 1H 2024, respectively.

COSTS OF SALES

The costs of sales primarily consists of costs of inventories and consumables, depreciation on plant and machinery, overheads and direct labour costs relating to production of products. The Group's costs of sales increased from approximately HK$28.0 million for 1H 2024 by approximately 210.7% or HK$59.0 million to HK$87.0 million for the Reporting Period, which was primarily due to the positive increase in revenue in sourcing of machineries and minerals and the need to produce a different product mix during the Reporting Period.

During the Reporting Period, the product mix of slewing rings, machineries, mechanical parts and components and minerals in terms of revenue were approximately 8.3%, 54.0%, 14.2% and 23.5%, respectively, as compared to 37.6%, 24.8%, 18.9% and 18.7%, respectively, in 1H 2024.

Gross Profit Margin

Gross profit margin for the Reporting period was 15.6%, representing an decrease of 23.6% as compared to 39.2% for 1H 2024. This was mainly attributable to the change in product mix, marked by a decrease in the sales of slewing rings (which has a higher profit margin) despite there was an increase in the sales of brand new machineries and minerals (which have a lower profit margin).

ADMINISTRATIVE EXPENSES

The administrative expenses of the Group increased from HK$7.5 million for 1H 2024 by approximately 14.7% or HK$1.1 million to approximately HK$8.6 million for the Reporting Period. Such increase was mainly attributable to an increase in the depreciation charge of approximately HK$1.1 million, while other administrative expenses remained stable. Other administrative expenses mainly represent the provision for auditor's remuneration and the legal and professional fees, which assisted the Group to enhance its corporate governance and compliance aspects.

OTHER LOSSES, NET

Loss on Financial Assets — investment in a life insurance contract

The Group recognised a loss on financial assets — investment in a life insurance contract of approximately HK$1.8 million during Reporting Period and nil for 1H 2024. The investment in insurance contract is initially recognised at the amount of the premium paid and subsequently carried at the amount that could be realised under the insurance contract (guaranteed cash value) at the end of each reporting period, with changes in value recognised as profit or loss.

PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

Profit attributable to owners of the Company was approximately HK$1.5 million for the Reporting Period, as compared to approximately HK$9.9 million for 1H 2024.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has financed its business with internally generated cash flows, bank borrowings and proceeds received from the Listing. As at 30 June 2025, the Group's cash and cash equivalents and pledged bank deposit were HK$61.4 million, decreased by 17.7% or HK$13.2 million, as compared to HK$74.6 million as at 31 December 2024. Bank deposits and cash were principally denominated in Hong Kong dollars, United States dollars, Japanese Yen and Renminbi. As at 31 December 2024, the Group had fully utilised approximately HK$28.4 million of the net proceeds with no unutilized balance. The Group will continue to use the internally generated cash flows and bank borrowings as sources of funding for future developments.

As at 30 June 2025, the Group had banking facilities of HK$65.8 million (as at 31 December 2024: HK$56.0 million), of which HK$16.3 million (as at 31 December 2024: HK$9.9 million) had been drawn down, and HK$49.5 million (as at 31 December 2024: HK$46.1 million) were unutilised.

As at 30 June 2025, the Group's total current assets and current liabilities were HK$141.0 million (as at 31 December 2024: HK$145.1 million) and HK$28.8 million (as at 31 December 2024: HK$30.4 million) respectively, representing a current ratio of 4.9 times (as at 31 December 2024: 4.8 times). As at 30 June 2025, the Group had bank borrowings of approximately HK$16.1 million that were denominated in Hong Kong dollars and United States dollars (as at 31 December 2024: HK$9.9 million that were denominated in Renminbi and United States dollars) and the gearing ratio of the Group was 13.2% (as at 31 December 2024: 9.3%). The gearing ratio was calculated by dividing total debt by total equity. Total debt is defined as bank borrowings and lease liabilities by the Group.

CAPITAL STRUCTURE

Share Subdivision in 2024

On 17 May 2024, the Shareholders in the annual general meeting of the Company approved the Share Subdivision of which each issued and unissued existing ordinary share of a par value of HK$0.01 each in the share capital of the Company was subdivided into two subdivided shares of a par value of HK0.005 each (the "**Subdivided Share**") in the share capital of the Company. Upon the Share Subdivision become effective, 800,000,000 Subdivided Shares are in issue and fully paid or credited as fully paid. The authorised share capital of the Company has become HK$100,000,000 divided into 20,000,000,000 Subdivided Shares of par value of HK$0.005 each. Details were set out in the Company's circular dated 15 April 2024. The Share Subdivision became effective on 21 May 2024.

As at 30 June 2025, the share capital of the Group comprised only ordinary shares. The capital structure of the Group mainly consisted of bank borrowings, obligations under finance leases and equity attributable to owners of the Group, comprising issued share capital, share premium, retained profits and other reserves.

SIGNIFICANT INVESTMENTS

Save for the investment in life insurance contract (details please refer to the announcement of the Company published on 15 January 2025), the Group did not hold any significant investment.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Reporting Period, the Group had no material acquisition or disposal of subsidiaries, associates or joint ventures.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had 97 employees (as at 31 December 2024: 84 employees). Remuneration is determined with reference to the prevailing market terms and in accordance with the performance, qualification and experience of each individual employee. The emoluments of the Directors are recommended by the Remuneration Committee of the Company, with reference to their respective contribution of time, effort and expertise on the Company's matters. In addition, employees are entitled to performance and discretionary year-end bonuses.

CHARGES ON ASSETS

As at 30 June 2025, the Group is required to maintain an aggregate amount of investment in a life insurance contract of approximately HK$6.7 million (as at 31 December 2024: Nil), and bank deposits of at least HK$15,000,000 (as at 31 December 2024: approximately HK$20,000,000) for the Group's banking facilities of which HK$10,000,000 was charged pursuant to the terms of the banking facilities (as at 31 December 2024: HK$15,000,000).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Events After The Reporting Period in "Other Information" section and in the listing document published by the Company on 22 September 2023 (the "**Prospectus**"), the Group did not have other plan for material investments and capital assets.

FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk of loss due to changes in foreign exchange rates. The Group operates in Hong Kong, Japan and the PRC and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD and RMB. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, which are denominated in these currencies. Currently, the Group has not entered into any agreement or arrangement to hedge the Group's exchange rate risks.

Any material fluctuation in the exchange rates of HKD or RMB may have an impact on the operating results of the Group. The exchange rate of RMB to HKD is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group manages foreign currency risk by closely monitoring the movement of the foreign currency rates.

With respect to USD, the management considers that the foreign exchange risk is not significant as HKD is pegged to USD and transactions denominated in USD are mainly carried out by entities with the same functional currency.

CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any material contingent liability.

DIVIDEND

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

PROSPECTS

The Company has successfully transferred its listing from GEM to the Main Board of the Stock Exchange in 2023. This remarkable achievement has increased the profile and raised the public awareness of our Group as well as our recognition to existing and new customers. The Group has achieved business growth and expanded sources of income since the listing on GEM. The Directors consider that the Main Board generally enjoys a premium status and recognition by the public investors and customers and that the Transfer of Listing will further promote the Group's corporate profile and position in the industry which will assist the Company in obtaining outside financing and on better commercial terms. It has also greatly assisted the Group in its business development.

The Group's goal is to strengthen its position as a premium slewing rings manufacturer, and to leverage on its competitive advantages as a provider of other mechanical parts and components, machineries and minerals so as to expand the scale of its operation and increase profit margin. The Group also aims to increase its competitiveness in the fragmented slewing ring manufacturing industry by (i) increasing the Group's efficiency and productivity; (ii) raising the quality of the Group's products; and (iii) reducing the Group's costs of production and the Group's reliance on manpower.

The Group is also positioned as one of the fastest growing "comprehensive products" providers in the field. Despite there remain many uncertainties in the global economy including high interest rate, slow down of development in China and the U.S. tax and trade policies, the Directors do anticipate that the Group's sourcing business will soon pick up its momentum once again. With a proven track record and strong foothold in the industry, the Group will remain cautious and endeavor to maintain a steady growth in its sourcing business and continue to broaden its business scope to maximize the return for the Company's shareholders in the present challenging environment. In the foreseeable future, the Group intends to broaden the sources of revenue to further develop its business, including but not limited to continue increasing its efforts to promote the OEM and OBM business, and also to continue expanding its products coverage in sourcing to include more minerals and related products to enhance revenue and profitability.

OTHER INFORMATION

DISCLOSURE OF INTERESTS — DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS

Directors' and Chief Executives' Interests in Shares and Share Options

As at 30 June 2025, the interests or short positions of the Directors and the chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong (the "**SFO**")) which are required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") in Appendix C3 to the Listing Rules are as follows:

Long position in Shares and underlying shares of the Company

Name of substantial shareholder capacity/ nature of interest	Total number of share(s) held	Percentage of interest in the Company's issued capital
Mr. YP Chan's Interest in controlled corporation *(Note 1)*	600,000,000 shares (L) *(Note 2)*	75%

Note 1: Mr. YP Chan legally and beneficially owns the entire issued share capital of C Centrum Holdings Limited ("**C Centrum**") and is its sole director. Accordingly, Mr. YP Chan is deemed to be interested in the Shares held by C Centrum by virtue of the SFO.

Note 2: The letter "L" denotes "Long position" in such shares.

Save as disclosed above, as at 30 June 2025, none of the directors or chief executives had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company or Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short positions which the director or chief executive has taken or deemed to have taken under the provisions of the SFO) or as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in the Model Code in Appendix C3 to the Listing Rules.

Share Option Scheme

Our Company has conditionally adopted a share option scheme (the "**Share Option Scheme**"), which was approved by written resolutions passed by our shareholders on 21 October 2019 and became unconditional on 15 November 2019. Our directors consider the purpose of the Share Option Scheme is to reward the participants defined under the Share Option Scheme for their past contribution to the success of the Group and to provide incentive to them to further contribute to our Group. The principal terms of the Share Option Scheme are summarised under the paragraph headed "12. Share Option Scheme" in Appendix IV to the Prospectus and in accordance with the provisions of Chapter 17 of the Listing Rules. As at the date of this announcement, there were 80,000,000 share options available for issue under the Share Option Scheme, representing 10% of the existing issued share capital of the Company, and no share options was issued during the Reporting Period.

Rights to Acquire Shares or Debentures

Save as disclosed above, at no time during the period ended 30 June 2025 was the Company, or any of its holding companies, its subsidiaries or its fellow subsidiaries was a party to any arrangement to enable any of the Company's directors or members of its management (including their spouse and children under 18 years of age) to acquire benefits by means of the acquisition of shares in, or debentures of, or had exercise any such rights in the Company or other body corporate.

Directors' Interests in Transaction, Arrangement or Contracts of Significance

No transaction, arrangement or contract of significance in relation to the Group's business to which the Company or any of its subsidiaries or holding company was a party and in which any of the Company's Directors or members of its management had a material interest, whether directly or indirectly, subsisted in the period ended 30 June 2025 or at any time during the period.

DISCLOSURE OF INTERESTS — SUBSTANTIAL SHAREHOLDER'S INTERESTS

Substantial Shareholder's Interests in Shares and Share Options

As at 30 June 2025, so far as known by the Directors, the following persons/entities (not being a Director or Chief Executive of the Company) had interest or short position in shares or underlying shares and debentures of Company and its associated corporation which would be required to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Name of substantial shareholder capacity	Nature of interest	Total number of share(s) held	Percentage of interest in the Company's issued capital
C Centrum *(Note 1)*	Beneficial owner	600,000,000 shares (L) *(Note 3)*	75%
Ms. Leung Tak Yee *(Note 2)*	Interest of Spouse	600,000,000 shares (L) *(Note 3)*	75%

Note 1: The entire issued share capital of C Centrum is legally and beneficially owned by Mr. YP Chan. Accordingly, Mr. YP Chan is deemed to be interested in the 600,000,000 Shares held by C Centrum by virtue of the SFO.

Note 2: Ms. Leung Tak Yee is the spouse of Mr. YP Chan and is deemed to be interested in all the underlying Shares that Mr. YP Chan is interested through C Centrum by virtue of the SFO.

Note 3: The letter "L" denotes "Long position" in such shares.

Save as disclosed above, as at 30 June 2025, no other person (other than director or chief executive of the Company) had any interest or short position in the Shares or underlying shares of the Company which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company , or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

PURCHASE, SALES AND REDEMPTION OF SHARES

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors or their respective close associates is or was interested in any business apart from the Group's business that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the Reporting Period and up to the date of this announcement.

LOAN AGREEMENT WITH COVENANT RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDERS

Reference is made to the announcements dated 18 June 2021 and 14 July 2022 issued by the Company with regard to a trading facility granted by DBS Bank (Hong Kong) Limited ("**DBS**").

On 14 July 2022, DBS has pursuant to its periodic review agreed to increase the trading facility of up to HK$15,000,000 for Best Linking Limited, which is an indirect wholly-owned subsidiary of the Company. Best Linking Limited and the Company, as borrower and corporate guarantor respectively, entered into a revised banking facility letter with DBS (the "**Facility Letter A**") on terms and conditions contained therein, including right of DBS to review the facility from time to time, customary overriding right of DBS to demand repayment any time, as well as the right to call for cash cover on demand for prospective or contingent liability.

Pursuant to the terms of the Facility Letter A, among other things, during the term of the Facility Letter A, (i) Best Linking Limited shall remain an indirect wholly-owned subsidiary of the Company; (ii) the Company shall procure Mr. YP Chan to remain as the director of the Company and Best Linking Limited; and (iii) Mr. YP Chan shall continue to be the single largest shareholder and hold not less than 50% of the beneficial interest of the Company and Best Linking Limited. As at the date of this announcement, Mr. YP Chan's beneficial interest in each of the Company and Best Linking Limited is 75%. Please refer to the announcement of the Company dated 14 July 2022 for more details.

Reference is made to the announcements dated 28 February 2023 and 15 January 2025 issued by the Company with regard to a trading facility granted by The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**") ("**the Facility Letter B**").

On 15 January 2025, HSBC has pursuant to its periodic review agreed to revise the facility available under the Facility Letter B with an increased trading facility including the finance loan and combined financing for the Group's operation and a packing loan of up to an aggregate maximum amount of HK$25,800,000 for Best Linking. Best Linking and the Company, as borrower and corporate guarantor respectively, accepted the review in the Facility Letter B, on the terms and conditions contained therein, including HSBC's right to review the facility from time to time, HSBC's customary overriding right to demand repayment any time, as well as the right to call for cash cover on demand for prospective or contingent liability.

It is the intention of the Company that the Facility letter B will be used to maintain the working capital of the Company and to facilitate Best Linking to settle payments to its suppliers.

Pursuant to the terms of the Facility Letter B, among other things, during the term of the Facility Letter B, (i) Best Linking shall remain an indirect wholly-owned subsidiary of the Company; (ii) the Company shall procure Mr. YP Chan to remain as the director of the Company and Best Linking; and (iii) Mr. YP Chan shall continue to be the major shareholder holding more than 50% of the beneficial interest of the Company and Best Linking. As at the date of this announcement, Mr. YP Chan's beneficial interest in each of the Company and Best Linking is 75%.

On 15 January 2025, Best Linking, as the policyholder took out the life insurance policy with HSBC Life (International) Limited, ("**HSBC Life**") and placed an initial single premium, together with an initial single levy, in the sum of approximately US$1,093,177.5 in aggregate (equivalent to approximately HK$8,526,785). The policy is a life insurance policy of Mr. YP Chan as the insured person. Best Linking is the policyholder and the beneficiary.

Please refer to the announcement of the Company dated 15 January 2025 for more details.

CODE ON CORPORATE GOVERNANCE

The Company recognises that good corporate governance is vital to the success of the Group and to sustain the development of the Group. The Company aims at complying with, where appropriate, all code provisions ("**Code Provisions**") of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules.

The Company's corporate governance practices are based on the principles and the Code Provisions set out in the CG Code of the Listing Rules. Throughout the Reporting Period, the Company has complied, to the extent applicable and permissible, with all Code Provisions set out in CG Code with the exception of Code Provision C.2.1. Code Provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. YP Chan currently holds both positions during the Reporting Period and up to the date of this announcement. As Mr. YP Chan has been responsible for the overall management of the Group, including strategic planning as well as sales and business development, the Board considered that Mr. YP Chan is the most suitable candidate to hold these two positions.

Reference is made to an announcement dated 31 March 2022 issued by the Company. The Board has established the Corporate Governance Committee with effect from 31 March 2022 to continue the review of the corporate governance policy and the practices of the Company and to ensure the Company is up to date with the latest practices.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted a code regulating the securities transactions of Directors and executive officers named in this annual report, on terms no less exacting than the required standard of dealing as set out in the Model Code for Securities Transactions by Directors of the Listed Issuers (the "**Model Code**") in Appendix C3 to the Listing Rules.

Specific enquiry had been made to all Directors and relevant employees. They confirmed that they have complied with the Model Code throughout the Reporting Period.

The Company has also established written guidelines regulating the transactions of securities of the Company by senior management and employees who are likely to be in possession of any inside information of the Company.

EVENTS AFTER THE REPORTING PERIOD

Loan Agreement With Covenant Relating To Specific Performance Of The Controlling Shareholders

Reference is made to the announcement dated 14 July 2022 issued by the Company with regard to the Facility Letter A.

On 2 July 2025, DBS has pursuant to its periodic review agreed to revise the facility available under the Facility Letter A with an increased trading facility including the finance loan and combined financing for the Group's operation and a packing loan of up to an aggregate maximum amount of HK$20,000,000 for Best Linking ("**the New Facility**"). Best Linking and the Company, as borrower and corporate guarantor respectively, accepted the New Facility.

It is the intention of the Company that the New Facility will be used to maintain the working capital of the Company and to facilitate Best Linking to settle payments to its suppliers.

On 2 July 2025, Best Linking, as the policyholder took out the life insurance policy with Manulife (International) Limited and placed an initial single premium, together with an initial single levy, in the sum of approximately US$770,015 in aggregate (equivalent to approximately HK$6,006,117) with Manulife. The Policy is a life insurance of Mr. Chan Lung Pan as the insured person. Best Linking is the Policyholder and the beneficiary.

Please refer to the announcement of the Company dated 2 July 2025 for more details.

AUDIT COMMITTEE

The Audit Committee together with the management has reviewed the accounting principles and practices adopted by the Group and together with the Directors reviewed this interim report, the risk management, internal control and financial reporting matters including the unaudited interim condensed consolidated financial information for the six months ended 30 June 2025.

APPOINTMENT AND RETIREMENT OF DIRECTORS

Mr. Leung Wai Lim has been appointed as an independent non-executive Director and a member of the Corporate Governance Committee of the Board with effect from 1 April 2025.

Ms. Tam Ho Ting did not seek for re-election at the annual general meeting held on 6 June 2025 (the "**AGM**") and retired as an independent non-executive Director, the chairlady of the Remuneration Committee, a member of the Audit Committee of the Board and a member of the Nomination Committee with effect from 6 June 2025.

CHANGE OF COMPOSITION OF BOARD COMMITTEES

With effect from 6 June 2025:

— Mr. Leung Wai Lim has been appointed as the chairman of the Remuneration Committee, a member of the Audit Committee of the Board and a member of the Nomination Committee.

— Ms. Tsang Hau Lam has been appointed as a member of the Nomination Committee.

By order of the Board
Best Linking Group Holdings Limited
Chan Yuk Pan
Chairman

Hong Kong, 13 August 2025

As at the date of this announcement, the executive Directors are Mr. Chan Yuk Pan and Mr. Chan Lung Pan; and the independent non-executive Directors are Mr. Chan Wan Tsun Adrian Alan, Mr. Leung Wai Lim and Ms. Tsang Hau Lam.

This announcement will remain on the "Latest Listed Company Information" page on the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the day of its posting. This announcement will also be published on the Company's website at www.blg.hk.