



National United Resources Holdings Limited
國家聯合資源控股有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code: 254

2024
Interim Report

TABLE OF CONTENTS

| | Page |
|--|------|
| Corporate Information | 2 |
| Condensed Consolidated Statement of Profit or Loss | 3 |
| Condensed Consolidated Statement of Comprehensive Income | 4 |
| Condensed Consolidated Statement of Financial Position | 5 |
| Condensed Consolidated Statement of Changes in Equity | 7 |
| Condensed Consolidated Statement of Cash Flows | 8 |
| Notes to the Condensed Consolidated Interim Financial Statements | 9 |
| Management Discussion and Analysis | 34 |
| Other Information | 48 |

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Ji Kaiping (*Chairman*)

Mr. Guo Peiyuan

Ms. Mao Na

Mr. Qiu Keshan

Mr. Tian Xin

(Appointed on 24 October 2024)

Non-executive Director

Mr. An Jingwen

Independent Non-executive Directors

Mr. Li Wen

Mr. Qiu Ke

Ms. Chen Yen Yung

AUDIT COMMITTEE

Mr. Li Wen (*Committee Chairman*)

Mr. An Jingwen

Mr. Qiu Ke

Ms. Chen Yen Yung

REMUNERATION COMMITTEE

Mr. Qiu Ke (*Committee Chairman*)

Mr. An Jingwen

Mr. Li Wen

Ms. Chen Yen Yung

NOMINATION COMMITTEE

Mr. Ji Kaiping (*Committee Chairman*)

Mr. Li Wen

Mr. Qiu Ke

Ms. Chen Yen Yung

COMPANY SECRETARY

Ms. Mak Yuk Kiu

AUTHORISED REPRESENTATIVES

Mr. Ji Kaiping

Ms. Mak Yuk Kiu

LEGAL ADVISORS

Baker & McKenzie

Lau, Horton & Wise LLP

INDEPENDENT AUDITOR

ZHONGHUI ANDA CPA Limited

PRINCIPAL BANKER

Industrial and Commercial Bank of China (Asia) Limited

REGISTERED OFFICE

Suites 1106-08, 11th Floor

The Chinese Bank Building

61-65 Des Voeux Road Central

Hong Kong

SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Abacus Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

COMPANY WEBSITE

www.irasia.com/listco/hk/nur

STOCK CODE

254

RESULTS

The board (the “Board”) of directors (the “Director(s)”) of National United Resources Holdings Limited (the “Company”) hereby presents the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 31 December 2024 (the “Current Period” or “Reporting Period”) together with the comparative figures for the six months ended 31 December 2023 (the “Corresponding Period”).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 31 December 2024

| | Notes | Six months ended 31 December | |
|---|-------|---------------------------------|---------------------------------|
| | | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) |
| Revenue | 6 | 56,029 | 34,055 |
| Cost of sales | | (34,329) | (40,748) |
| Gross profit/(loss) | | 21,700 | (6,693) |
| Other income | 7 | 886 | 2,025 |
| Administrative and other operating expenses | | (25,990) | (15,376) |
| Loss from operation | | (3,404) | (20,044) |
| Fair value loss on financial liabilities at FVTPL | | (9,348) | – |
| Finance cost | 8 | (5,354) | (3,917) |
| Loss before tax | | (18,106) | (23,961) |
| Income tax expense | 9 | (1,027) | – |
| Loss for the period | 10 | (19,133) | (23,961) |
| Attributable to: | | | |
| Owners of the Company | | (19,238) | (22,813) |
| Non-controlling interests | | 105 | (1,148) |
| | | (19,133) | (23,961) |
| Loss per share attributable to owners of the Company | 11 | | |
| Basic (HK cents per share) | | (0.44) | (0.60) |
| Diluted (HK cents per share) | | (0.44) | (0.60) |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 December 2024

| | Notes | Six months ended 31 December | |
|---|-------|---------------------------------|---------------------------------|
| | | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) |
| Loss for the period | 10 | (19,133) | (23,961) |
| Other comprehensive loss: | | | |
| <i>Items that may be reclassified to profit or loss:</i> | | | |
| Exchange differences on translation of foreign operations | | <u>(1,093)</u> | <u>(790)</u> |
| Total comprehensive loss for the period | | <u>(20,226)</u> | <u>(24,751)</u> |
| Total comprehensive loss for the period attributable to: | | | |
| Owners of the Company | | <u>(20,666)</u> | <u>(23,165)</u> |
| Non-controlling interests | | <u>440</u> | <u>(1,586)</u> |
| | | <u>(20,226)</u> | <u>(24,751)</u> |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

| | Notes | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|--|-------|---|---|
| Non-current assets | | | |
| Property, plant and equipment | 13 | 135,348 | 131,144 |
| Right-of-use assets | | 30,144 | 32,159 |
| Deferred tax asset | | 5,334 | 5,380 |
| Intangible assets | | 21,146 | 27,931 |
| Goodwill | | 26,398 | 26,488 |
| Prepayments | 15 | 13,585 | 31,539 |
| | | <u>231,955</u> | <u>254,641</u> |
| Current assets | | | |
| Trade receivables | 14 | 131,910 | 78,107 |
| Prepayments, deposits and other receivables | 15 | 39,451 | 93,577 |
| Bank and cash balances | | 152,945 | 45,758 |
| | | <u>324,306</u> | <u>217,442</u> |
| Current liabilities | | | |
| Trade and other payables | 16 | 184,715 | 116,119 |
| Contract liabilities | | 16,561 | 3,236 |
| Financial liabilities at FVTPL | | 29,456 | 20,108 |
| Borrowings | 17 | 80,879 | 68,934 |
| Lease liabilities | | 146,804 | 146,832 |
| Tax payable | | 12,153 | 9,560 |
| | | <u>470,568</u> | <u>364,789</u> |
| Net current liabilities | | <u>(146,262)</u> | <u>(147,347)</u> |
| Total assets less current liabilities | | <u>85,693</u> | <u>107,294</u> |

| | Notes | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|---|-------|---|---|
| Non-current liabilities | | | |
| Deferred tax liabilities | | 2,520 | 3,767 |
| Lease liabilities | | 150 | 278 |
| | | <u>2,670</u> | <u>4,045</u> |
| NET ASSETS | | <u>83,023</u> | <u>103,249</u> |
| Capital and reserves | | | |
| Share capital | 18 | 3,587,769 | 3,587,769 |
| Reserves | | <u>(3,465,198)</u> | <u>(3,444,532)</u> |
| Equity attributable to owners of the Company | | 122,571 | 143,237 |
| Non-controlling interests | | <u>(39,548)</u> | <u>(39,988)</u> |
| TOTAL EQUITY | | <u>83,023</u> | <u>103,249</u> |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2024

| | Attributable to owners of the Company (unaudited) | | | | | |
|---|---|---|-----------------------------------|-------------------|--|-----------------------------|
| | Share capital HK\$'000 | Foreign currency translation reserve HK\$'000 | Accumulated losses HK\$'000 | Total HK\$'000 | Non- controlling interests HK\$'000 | Total equity HK\$'000 |
| At 1 July 2023 (audited) | 3,507,369 | (8,223) | (3,430,568) | 68,578 | (38,929) | 29,649 |
| Loss for the period (unaudited) | - | - | (22,813) | (22,813) | (1,148) | (23,961) |
| Other comprehensive loss for the period (unaudited) | - | (352) | - | (352) | (438) | (790) |
| Total comprehensive loss for the period (unaudited) | - | (352) | (22,813) | (23,165) | (1,586) | (24,751) |
| Proceeds from share subscription (unaudited) | 80,400 | - | - | 80,400 | - | 80,400 |
| At 31 December 2023 (unaudited) | 3,587,769 | (8,575) | (3,453,381) | 125,813 | (40,515) | 85,298 |
| At 1 July 2024 (audited) | 3,587,769 | (5,335) | (3,439,197) | 143,237 | (39,988) | 103,249 |
| (Loss)/profit for the period (unaudited) | - | - | (19,238) | (19,238) | 105 | (19,133) |
| Other comprehensive income/(loss) for the period (unaudited) | - | (1,428) | - | (1,428) | 335 | (1,093) |
| Total comprehensive income/(loss) for the period (unaudited) | - | (1,428) | (19,238) | (20,666) | 440 | (20,226) |
| At 31 December 2024 (unaudited) | 3,587,769 | (6,763) | (3,458,435) | 122,571 | (39,548) | 83,023 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2024

| | Six months ended 31 December | |
|--|--|--|
| | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) |
| Net cash generated from/ (used in) operating activities | 109,926 | (5,270) |
| Cash flows from investing activities | | |
| Interest received | 288 | 1,796 |
| Deposits for acquisition of property, plant and equipment | – | (8,031) |
| Purchases of property, plant and equipment | (13,581) | (30,200) |
| Proceeds from disposal of property, plant and equipment | 2,302 | – |
| Net cash used in investing activities | (10,991) | (36,435) |
| Cash flows from financing activities | | |
| Proceeds from new borrowings | 117,746 | 124,160 |
| Repayment of borrowings | (105,537) | – |
| Interest paid | (3,438) | (363) |
| Repayment of lease liabilities | (134) | (415) |
| Net proceeds from the share subscription | – | 80,400 |
| Net cash generated from financing activities | 8,637 | 203,782 |
| Net increase in cash and cash equivalents | 107,572 | 162,077 |
| Effect of foreign exchange rate changes | (385) | (663) |
| Cash and cash equivalents at beginning of period | 45,758 | 135,575 |
| Cash and cash equivalents at end of period | 152,945 | 296,989 |
| Analysis of cash and cash equivalents | | |
| Bank and cash balances | 152,945 | 296,989 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 31 December 2024

1. GENERAL INFORMATION

National United Resources Holdings Limited (the “Company”) was incorporated in Hong Kong with limited liability. The address of its registered office and principle place of business is Suites 1106-08, 11th Floor, The Chinese Bank Building, 61-65 Des Voeux Road Central, Hong Kong. The Company’s shares (the “Shares”) are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company is an investment holding company. During the Current Period, the Group was engaged in car rental and shuttle bus services in the industry of commuter bus leasing market and information technology services in the People’s Republic of China (the “PRC”).

2. BASIS OF PREPARATION

Going concern

The Group incurred a loss of approximately HK\$19,133,000 for the six months ended 31 December 2024, and as at 31 December 2024, the Group had net current liabilities of approximately HK\$146,262,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern.

In view of these circumstances, the directors of the Company (the “Directors”) have given careful consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern.

The condensed consolidated financial statements have been prepared on a going concern basis. In the opinion of the Directors, the Group should be able to continue as a going concern taking into consideration of the follows:

- (i) financial support from certain/some Directors at a level sufficient to finance the working capital requirements of the Group;
- (ii) the Group is expected to be profitable and continue to generate operating cash inflows from its future business operations; and
- (iii) the creditors intentionally agreed to settle the lease liabilities by issuing convertible bonds of the Group.

Based on the aforesaid factors, the Directors are satisfied that the Group will have sufficient financial resources to meet all the Group's financial obligations and to sustain the Group's ability to continue as a going concern in the foreseeable future. The Directors are therefore of the opinion that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the condensed consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

The financial information relating to the year ended 30 June 2024 that is included in this interim report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 30 June 2024 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 31 December 2024 (“Interim Financial Statements”) have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The Interim Financial Statements should be read in conjunction with the Group’s 2024 annual financial statements. The accounting policies and methods of computation used in the preparation of the Interim Financial Statements are consistent with those used in the financial statements for the year ended 30 June 2024.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the Current Period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 July 2024. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current and prior periods.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

4. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosures of level in fair value hierarchy at 31 December 2024:

| | Fair value measurements using: | | | Total |
|------------------------------------|--------------------------------|-------------|-------------|-------------|
| | Level 1 | Level 2 | Level 3 | 31 December |
| | HK\$'000 | HK\$'000 | HK\$'000 | 2024 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Recurring fair value measurements: | | | | |
| Liabilities | | | | |
| Financial liabilities at FVTPL – | | | | |
| Contingent consideration for | | | | |
| acquisition of subsidiaries | - | - | 29,456 | 29,456 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total recurring fair | | | | |
| value measurements | - | - | 29,456 | 29,456 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

| | Fair value measurements using: | | | Total |
|------------------------------------|--------------------------------|-----------|---------------|---------------|
| | Level 1 | Level 2 | Level 3 | 30 June |
| | HK\$'000 | HK\$'000 | HK\$'000 | 2024 |
| | (audited) | (audited) | (audited) | (audited) |
| Recurring fair value measurements: | | | | |
| Liabilities | | | | |
| Financial liabilities at FVTPL – | | | | |
| Contingent consideration for | | | | |
| acquisition of subsidiaries | – | – | 20,108 | 20,108 |
| | <u>–</u> | <u>–</u> | <u>20,108</u> | <u>20,108</u> |
| Total recurring fair value | | | | |
| measurements | <u>–</u> | <u>–</u> | <u>20,108</u> | <u>20,108</u> |

During the Reporting Period, there were no transfer between Level 1 and Level 2, or transfers into or out of Level 3 (year ended 30 June 2024: Nil). The Group's policy is to recognise transfer between levels of fair value hierarchy as at the end of the Reporting Period in which they occur.

- (b) Reconciliation of liabilities measured at fair value based on level 3:

| | Financial liabilities | |
|--|------------------------------|-------------|
| | Six months ended | |
| | 31 December | |
| | 2024 | 2023 |
| | HK\$'000 | HK\$'000 |
| | (Unaudited) | (Unaudited) |
| At the beginning of period | 20,108 | – |
| Total loss recognised in profit or loss | 9,348 | – |
| | <hr/> | <hr/> |
| At the end of period | 29,456 | – |
| | <hr/> | <hr/> |
| (#) Included gains or losses for liabilities held at end of the period | 9,348 | – |
| | <hr/> | <hr/> |

- (c) Valuation techniques and inputs used in fair value measurements at 31 December 2024:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Level 3 fair value measurements

| Description | Valuation technique | Inputs | Range | Effect on fair value for increase of inputs | Fair value 31 December 2024 HK\$'000 (unaudited) |
|--|----------------------|---|-------------|---|--|
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) | |
| Liabilities | | | | | |
| Contingent consideration for acquisition of subsidiaries | Discounted cash flow | Discount rate | 18.93% | Decrease | 29,456 |
| | | Probability-adjusted net profits meet guaranteed profit | 78.60% | Increase | |

Level 3 fair value measurements

| Description | Valuation technique | Inputs | Range | Effect on fair value for increase of inputs | Fair value 30 June 2024 HK\$'000 (audited) |
|--|----------------------|---|-----------|---|--|
| | (audited) | (audited) | (audited) | (audited) | |
| Liabilities | | | | | |
| Contingent consideration for acquisition of subsidiaries | Discounted cash flow | Discount rate | 18.93% | Decrease | 20,108 |
| | | Probability-adjusted net profits meet guaranteed profit | 59.70% | Increase | |

5. OPERATING SEGMENT INFORMATION

During the six months ended 31 December 2024, the Group is organised into business units based on their products and services and has two reportable operating segments for management purposes:

- Car rental and shuttle bus business – (i) shuttle services between workplaces/schools and residential communities for employees/students of institutional customers; (ii) vehicle rental without chauffeur; and (iii) car rental with chauffeur for business and leisure travel and large government events.
- Information technology business – (i) engaging in provision of cloud computing, global traffic operations and digital transformation services via private owned constructed data analytics infrastructure with system application software of computational analytics and processing center (“CAPC”); (ii) engaging in research and development, production, sales and services of industry information solutions, and (iii) acting as intermediary selling computer hardware to customers.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment (loss)/profit, which is a measure of adjusted (loss)/profit before tax. The adjusted (loss)/profit before tax is measured consistently with the Group’s loss before tax except that interest and other income, impairment loss on various assets, share of loss of associates, fair value changes on financial liabilities at FVTPL, finance costs and unallocated corporate expenses are excluded from such measurement.

Segment assets exclude cash and cash equivalents and other unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude borrowings, tax payable, deferred tax liabilities, financial liabilities at FVTPL and other unallocated corporate liabilities as these liabilities are managed on a group basis.

During the six months ended 31 December 2024 and 2023, there were no inter-segment sales.

- (a) Information about reportable segment profit or loss, assets and liabilities are summarised as follows:

| | Car rental and shuttle bus business HK\$'000 (unaudited) | Information technology business HK\$'000 (unaudited) | Total HK\$'000 (unaudited) |
|--|---|---|---|
| Six months ended 31 December 2024 | | | |
| Revenue from external customers | 21,512 | 34,517 | 56,029 |
| Segment (loss)/profit | (6,637) | 14,914 | 8,277 |
| Depreciation and amortisation | 9,042 | 7,129 | 16,171 |
| Other material non-cash items: | | | |
| Additions to segment non-current assets | 13,484 | – | 13,484 |
| As at 31 December 2024 | | | |
| Segment assets | 118,865 | 285,944 | 404,809 |
| Segment liabilities | <u>(187,734)</u> | <u>(116,125)</u> | <u>(303,859)</u> |

| | Car rental and shuttle bus business HK\$'000 (unaudited) | Information technology business HK\$'000 (unaudited) | Total HK\$'000 (unaudited) |
|--|--|--|----------------------------------|
| Six months ended | | | |
| 31 December 2023 | | | |
| Revenue from external customers | 34,055 | – | 34,055 |
| Segment loss | (9,562) | – | (9,562) |
| Depreciation and amortisation | 8,741 | – | 8,741 |
| Other material non-cash items: | | | |
| Additions to segment non-current assets | 27,594 | – | 27,594 |
| As at 30 June 2024 | | | |
| Segment assets (audited) | 153,897 | 219,975 | 373,872 |
| Segment liabilities (audited) | <u>(179,419)</u> | <u>(49,902)</u> | <u>(229,321)</u> |

| | Six months ended 31 December | |
|--|--|---|
| | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) |
| Revenue from external customers | <u>56,029</u> | <u>34,055</u> |
| Segment result | 8,277 | (9,562) |
| Interest income on bank deposits | 288 | 1,796 |
| Other income | 598 | 229 |
| Unallocated expenses | <u>(12,567)</u> | <u>(12,507)</u> |
| Loss from operations | (3,404) | (20,044) |
| Fair value loss on financial liabilities at FVTPL | (9,348) | – |
| Finance cost | <u>(5,354)</u> | <u>(3,917)</u> |
| Loss before tax | (18,016) | (23,961) |
| Income tax expense | <u>(1,027)</u> | <u>–</u> |
| Loss for the period | <u>(19,133)</u> | <u>(23,961)</u> |
| Depreciation and amortisation | <u>16,171</u> | <u>8,741</u> |
| | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
| Segment assets | 404,809 | 373,872 |
| Unallocated assets | <u>151,452</u> | <u>98,211</u> |
| | <u>556,261</u> | <u>472,083</u> |
| Segment liabilities | (303,859) | (229,321) |
| Unallocated liabilities | <u>(169,379)</u> | <u>(139,513)</u> |
| | <u>(473,238)</u> | <u>(368,834)</u> |

(b) Geographical information:

The Group's revenue analysed by geographical location and information about its non-current assets excluded deferred tax by geographical location are detailed below:

| | Revenue | | Non-current assets | |
|-----|---------------------------------|---------------------------------|---------------------------------|-------------------------------|
| | Six months ended 31 December | | As at 31 December | As at 30 June |
| | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) | 2024 HK\$'000 (Audited) |
| PRC | <u>56,029</u> | <u>34,055</u> | <u>226,621</u> | <u>249,261</u> |

In presenting the geographical information, revenue is based on the locations of the customers.

(c) Information about major customers

Revenue from major customers, each of whom accounted for 10% or more of the total revenue of the Group, is set out below:

| | Six months ended 31 December | |
|--|---------------------------------|---------------------------------|
| | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) |
| Information technology business segment: | | |
| Customer A | 12,626 | N/A |
| Customer B | 11,447 | N/A |
| Customer C | 9,080 | N/A |
| Car rental and shuttle bus business segment: | | |
| Customer D | <u>6,468</u> | <u>6,698</u> |

6. REVENUE

The principal activities of the Group are (i) provision of car rental and shuttle bus services; (ii) provision of cloud computing, global traffic operations and digital transformation services via CAPC; (iii) the research and development, production, sales and service of industry information solutions and (iv) sale of computer hardware. All revenue generated by the Group was derived from the PRC.

Revenue representing the amounts received and receivable by the Group from business income, services rendered to customers, net of discounts, returns and sales related taxes is as follows:

| | Six months ended | |
|--|-------------------------|-------------|
| | 31 December | |
| | 2024 | 2023 |
| | HK\$'000 | HK\$'000 |
| | (unaudited) | (unaudited) |
| Overtime | | |
| CAPC services income | 11,447 | – |
| Industry information solution services income | 13,818 | – |
| | 25,265 | – |
| Point in time | | |
| Car rental and shuttle bus services income | 21,512 | 34,055 |
| Sales commission income from sale of computer hardware | 9,252 | – |
| | 30,764 | 34,055 |
| | 56,029 | 34,055 |

Car rental and shuttle bus services income

The Group provides car rental and shuttle bus services to the customers. Service income are recognised when service is rendered.

CAPC services income

Revenue from provision of online platform service in CAPC is recognised overtime by daily average over the contracted amount towards completion of the Group's performance obligation as set out in the respective contracts.

Industry information solution services income

Revenue from provision of industry information solution services is recognised overtime by daily average over the contracted amount towards completion of the Group's performance obligation as set out in the respective contracts.

Sales commission income

The Group acts as intermediary and sells computer hardware to the customers. Commission income are recognised when service is rendered.

7. OTHER INCOME

| | Six months ended 31 December | |
|--|---------------------------------|---------------------------------|
| | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) |
| Bank interest income | 288 | 1,796 |
| Gain on disposal of property, plant and equipment | 1,931 | – |
| Net foreign exchange loss | (1,333) | – |
| Sundry income | – | 229 |
| | <u>886</u> | <u>2,025</u> |

8. FINANCE COST

| | Six months ended 31 December | |
|---------------------------------|---------------------------------|---------------------------------|
| | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) |
| Bank charges | 6 | 15 |
| Interest expenses on borrowings | | |
| – interest on corporate bonds | 2,035 | 1,714 |
| – interest on lease liabilities | 1,184 | 1,193 |
| – interest on bank borrowings | 1,403 | 268 |
| – interest on other borrowings | 726 | 727 |
| | <u>5,354</u> | <u>3,917</u> |

9. INCOME TAX EXPENSE

The income tax expense/(credit) of the Group during the periods presented are analyzed as follows:

| | Six months ended 31 December | |
|--|---|---------------|
| | 2024 | 2023 |
| | HK\$'000 | HK\$'000 |
| | (Unaudited) | (Unaudited) |
| Current tax – the PRC Enterprise Income Tax | | |
| Provision for the period | 2,274 | – |
| Deferred tax | (1,247) | – |
| | <hr/> 1,027 <hr/> | <hr/> – <hr/> |

Hong Kong Profits Tax is calculated at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the period.

Under the Law of the PRC on Enterprise Income Tax, the applicable income tax rate of the Group's subsidiaries in the PRC is 25% (2023: 25%).

10. LOSS FOR THE PERIOD

The Group's loss for the period is stated after charging the following:

| | Six months ended 31 December | |
|---|--|--|
| | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) |
| Directors' remuneration | 2,475 | 2,340 |
| Other staff salaries and benefits | 14,327 | 18,092 |
| Contributions to retirement benefit schemes | 3,132 | 3,645 |
| | 19,934 | 24,077 |
| Amortisation of intangible assets | 6,711 | – |
| Depreciation of property, plant and equipment | 7,678 | 5,798 |
| Depreciation of right-of-use assets | 1,782 | 2,943 |

11. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the period attributable to owners of the Company of approximately HK\$19,238,000 (six months ended 31 December 2023: loss for the period attributable to owners of the Company of approximately HK\$22,813,000) and the weighted average number of ordinary shares of 4,387,628,409 (six months ended 31 December 2023: 3,778,932,757) in issue during the period.

Diluted loss per share

No diluted loss per share was presented as the Company did not have any dilutive potential ordinary shares during the six months ended 31 December 2024 and 2023.

12. DIVIDENDS

The Directors did not declare the payment of any dividend in respect of the six months ended 31 December 2024 and 2023.

13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 December 2024, the Group acquired property, plant and equipment at cost of approximately HK\$13,484,000 (six months ended 31 December 2023: HK\$27,594,000) and disposed of property, plant and equipment with a carrying amount of approximately HK\$371,000 (six months ended 31 December 2023: no disposal).

14. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit or received in advance. The credit period is generally 30 days. The Group seeks to maintain strict control over its outstanding receivables so as to minimise credit risk. Overdue balances are reviewed regularly by the directors of the Company. The Group has concentration of credit risk on certain customers. The Group does not hold any collateral or other credit enhancement over its trade receivable balances. Trade receivables are non-interest bearing.

The aging analysis of trade receivables, based on the date of services provided, is as follows:

| | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|--------------------------------|--|---|
| Within 30 days | 68,081 | 6,860 |
| 31-90 days | 16,115 | 15,186 |
| Over 90 days but within 1 year | 44,785 | 59,976 |
| Over 1 year | 13,657 | 6,907 |
| Less: Impairments | <u>(10,728)</u> | <u>(10,822)</u> |
| | <u>131,910</u> | <u>78,107</u> |

15. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|--|--|---|
| Other receivables | 21,741 | 35,976 |
| Prepayments and deposits | <u>36,954</u> | <u>94,823</u> |
| | 58,695 | 130,799 |
| Impairment | <u>(5,659)</u> | <u>(5,683)</u> |
| | 53,036 | 125,116 |
| Less: non-current portion Prepayments | <u>13,585</u> | <u>31,539</u> |
| | <u>39,451</u> | <u>93,577</u> |

16. TRADE AND OTHER PAYABLES

| | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|-------------------------------------|--|--|
| Trade payables (Note (a)) | <u>85,306</u> | <u>–</u> |
| Other payables | 49,621 | 75,643 |
| Amount due to a director (Note (b)) | 3,474 | 1,722 |
| Accruals | <u>46,314</u> | <u>38,754</u> |
| | <u>99,409</u> | <u>116,119</u> |
| | <u>184,715</u> | <u>116,119</u> |

Notes:

- (a) The aging analysis of the trade payables, based on the date of receipt of goods, is as follows:

| | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|--------------------------------|--|--|
| Within 30 days | 40,315 | – |
| 31-90 days | 32,878 | – |
| Over 90 days but within 1 year | <u>12,113</u> | <u>–</u> |
| | <u>85,306</u> | <u>–</u> |

- (b) The amount due to a director is unsecured, interest free and has no fixed repayment terms.

17. BORROWINGS

| | | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|----------------------------------|-------|--|---|
| | Notes | | |
| Included in current liabilities: | | | |
| Bank loans – secured | (a) | 29,347 | 20,754 |
| Bank loans – unsecured | (b) | 12,732 | 9,630 |
| Other loans | (c) | 38,800 | 38,550 |
| | | 80,879 | 68,934 |

Notes:

- (a) Bank loans are secured by property, plant and equipment at an annual rate of one-year LPR to LPR+1.81% and are repayable by monthly installments in 2 to 4 years with repayable on demand clause and classified as current liabilities.
- (b) The bank loans are unsecured, at an annual rate of one-year LPR-0.65% to one-year LPR+0.53% and are repayable on demand or within one year.
- (c) Other loans are unsecured, in which of approximately HK\$33,000,000 (30 June 2024: HK\$33,000,000) bears interest rate of 4% to 4.5% (30 June 2024: 4% to 4.5%) being repayable on demand or within one year. The remaining balances are unsecured, interest free and repayable on demand.

As at 31 December 2024, other loans amounted to approximately HK\$26,500,000 (30 June 2024: approximately HK\$26,500,000) were overdue.

18. SHARE CAPITAL

| | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|--|--|--|
| Issued and fully paid: 4,387,628,409 (30 June 2024: 4,387,628,409) ordinary shares | <u>3,587,769</u> | <u>3,587,769</u> |

A summary of the movements in the issued share capital of the Company is as follows:

| | Notes | Number of shares issued | Share capital HK\$'000 |
|---|-------|------------------------------------|-----------------------------------|
| 1 July 2023 (audited) | | 3,687,628,409 | 3,507,369 |
| Share subscription | (a) | <u>700,000,000</u> | <u>80,400</u> |
| As at 30 June 2024 (audited), 1 July 2024 (audited) and 31 December 2024 (unaudited) | | <u>4,387,628,409</u> | <u>3,587,769</u> |

Note:

- (a) On 8 December 2023, the Company completed the allotment and issuance of a total of 700,000,000 ordinary shares to one subscriber at the subscription price of HK\$0.115 per subscription share raising a total proceeds of approximately HK\$80,400,000, net of share issue expenses of approximately HK\$100,000.

19. CONTINGENT LIABILITIES

At the end of the Reporting Period, contingent liabilities not provided for in the condensed consolidated financial statements were as follows:

| | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|--|--|--|
| Indemnity related to a former subsidiary | <u>6,472</u> | <u>6,527</u> |

At the end of the Reporting Period, the Directors did not consider it probable that a claim would be made against the Group under the below possible claim.

In February 2005, a Writ of Summons was served on the Company demanding the payment of PRC property taxes relating to the property held by a disposed subsidiary, including the late payment surcharge levied by the tax authority of approximately RMB6,100,000. However, such amounts were covered by the amount accrued in the financial statements of a disposed subsidiary at the time of disposal. Accordingly, in the opinion of the Directors and having obtained an opinion from the Company's lawyer, the Group has no obligation to pay the above taxes. Because of the uncertainty of the outcome of this matter, the amount involved of approximately RMB6,100,000, equivalent to approximately HK\$6,472,000 (30 June 2024: HK\$6,527,000), has been shown as contingent liabilities.

20. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these condensed consolidated interim financial statements, the Group had the following balances with related parties during the period:

| | As at | |
|-----------------------------------|--|--|
| | 31 December 2024 HK\$'000 (unaudited) | 30 June 2024 HK\$'000 (audited) |
| Amount due to a related party (i) | <u>7,977</u> | <u>8,046</u> |

- (i) The amount due to a related party was included in other payable, which is unsecured, interest free and repayable on demand. Two directors of the Company, Ji Kaiping and Guo Peiyuan, have control over the related party.

The Company received car rental service income of approximately HK\$9,824,000 (six months ended 31 December 2023: HK\$11,311,000) from third parties through an application operated by the related party for the six months ended 31 December 2024 and as at 31 December 2024, there were a trade receivables of approximately HK\$12,998,000 (as at 30 June 2024: HK\$13,767,000) from third parties through an application operated by the related party. Two directors of the Company, Ji Kaiping and Guo Peiyuan, have control over the related party.

- (b) Compensation of key management personnel other than directors of the Group:

| | Six months ended 31 December | |
|------------------------------|--|---------------------------------|
| | 2024 HK\$'000 (Unaudited) | 2023 HK\$'000 (Unaudited) |
| Short term employee benefits | <u>341</u> | <u>291</u> |

21. CAPITAL COMMITMENT

The Group's capital commitments at the end of the Reporting Period are as follows:

| | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|--|--|---|
| Property, plant and equipment Contracted but not provided for | — | 13,605 |

Details of the Company's capital commitments in respect of investments in associates are as follows:

| | As at 31 December 2024 HK\$'000 (Unaudited) | As at 30 June 2024 HK\$'000 (Audited) |
|---|--|---|
| Capital expenditure contracted but not provided for in respect of unpaid balance of capital contributions to associates | 10,955 | 11,048 |

Pursuant to an equity joint venture agreement, the Group has a 35% investment in an associate named 內蒙古車馬同馳運輸有限公司 (the "Associate A") which was incorporated in the PRC on 27 May 2022 for a period of fifty years. The Associate A is engaged in road transport service. The total investment cost of the Group in proportion to its respective interest in the Associate A is RMB3,500,000 which is to be financed in the form of cash by the Group. At 31 December 2024 and 30 June 2024, the Group had fulfilled its investment obligation in the Associate A to the extent of nil.

Pursuant to an equity joint venture agreement, the Group has a 35% investment in an associate named 山西檢科融碳科技有限公司 (the "Associate B") which was incorporated in the PRC on 19 August 2022 for a period of fifty years. The Associate B is engaged in technology promotion and application service. The total investment cost of the Group in proportion to its respective interest in the Associate B is RMB7,000,000 which is to be financed in the form of cash by the Group. At 31 December 2024 and 30 June 2024, the Group had fulfilled its investment obligation in the Associate B to the extent of RMB175,000.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

Car Rental and Shuttle Bus Business

The Group has been engaged in providing car rental and shuttle bus services business through 北京天馬通馳汽車租賃有限公司 (Beijing Tian Ma Tong Chi Car Rental Co., Ltd*) (“TMTCC Rental”) and 北京天馬通馳旅遊客運有限公司 (Beijing Tian Ma Tong Chi Travel Transportation Co., Ltd*) (“TMTCC Travel”, together with TMTCC Rental, “TMTCC Group”) since September 2016. TMTCC Group operates through two major subsidiaries, TMTCC Rental (an indirect wholly-owned subsidiary of the Company) and TMTCC Travel (a 49% owned subsidiary of TMTCC Rental). To align with the current operation model and to implement management arrangements, on 1 September 2019, TMTCC Travel was consolidated into TMTCC Group’s account under HKFRS 10 on the basis of full management control over TMTCC Travel by TMTCC Rental. For details, please refer to the announcement of the Company dated 2 March 2020. TMTCC Group owns around 660 electric buses, fuel buses, and other vehicles in total, each with 5 to 59 seats. For car rental and shuttle bus services business, (i) shuttle services between workplaces/schools and residential communities for employees/students of institutional customers; (ii) vehicle rental without chauffeur; and (iii) car rental with chauffeur for business, leisure travel and large government events based on the specific requirements on vehicle capacity, types of vehicles, point-to-point services, contracted bespoke services and routes/shuttle arrangements with specific timetables are provided. In addition, with years of experience in transportation logistics and resource management, the Company also renders resource management and planning services to its peers and other customers tailored to their needs.

In the second half of 2024, the Group was endeavoring to explore more customers with a view to enhancing turnover and profits. However, due to the overall industry environment, significant increase in business volume did not happen. The management of the Group is still working hard to negotiate with a number of potential customers, hoping to achieve better growth in the next financial year. Currently, we plan to optimise the hardware and software of our fleet to enhance our competitiveness in the intense future competition. Looking ahead, TMT Group will explore new business opportunities, broaden its customer base, and exploit the Group's strengths in resource planning and control to increase the utilisation rate of shuttles and surpass the limitations of the single business model per location. We will provide commuters in Beijing with a more convenient shuttle services by marching into untapped markets for offering shuttle bus services to SMEs in the same region who do not reach the minimum number of employees for shuttle buses individually and allowing them to share costs, with a view to achieving business expansion. Meanwhile, we also continue to explore the "Passenger Transport Plus" operation model to provide customers with more value-added services and create more value for them during their commute to achieve our goal of generating more profits.

Other New Business Developments

Information Technology Business

On 5 June 2023, after a long period of preparation and research, the Group entered into an acquisition agreement with a company for the purchase of equipment for the computational analytics and processing centre. The acquisition is intended to establish a computational analytics and processing centre, and enables the Group to penetrate into the market of data management and big data analytics services. This business is expected to broaden the Group's scope of business and boost its risk resilience. The installation and commissioning of the equipment was completed in early 2024 and the provision of data traffic services to customers then commenced, which is currently in normal operations.

Moreover, the Group is exploring business opportunities centered around resource planning and control integration and vigorously develops other promising business areas to improve the risk resilience and profitability of its business. On top of the car rental and shuttle bus business, the management of the Group also strives to expand the application scenarios of mature technologies on the same technology level to develop the relevant business lines in a further sense.

Through years of cultivation in our car rental and shuttle bus services segment, we are sophisticated in resource planning and control, like resource management of vehicle and transportation data. In the future, we will leverage our existing data and strengths in resource planning and control to vigorously develop more promising business areas and identify suitable business entry points.

We seek to constantly enhance our technical know-how and experience in resource planning and control to improve the efficiency of resource management across our business lines. In January 2023, we entered into a memorandum of understanding in relation to possible acquisition of a technology company (the “Target Company”) and published an announcement accordingly. The Target Company has extensive experience and technical know-how in resource planning and control, and the acquisition of the Target Company will provide the Group with more stable technical support and lower costs for its logistics and transportation management system, which will make the Group more competitive in the market. On 27 December 2023, an announcement in respect of a discloseable transaction in relation to the acquisition of the entire issued share capital of City Gear Limited (“City Gear”) (the Target Company is its indirect wholly-owned subsidiary) and the loan, and the acquisition was completed on 28 March 2024. Currently, the Target Company is carrying on with its normal operations and has started to contribute profit to the Group. The management of the Group plans to further develop in the industry through the Target Company and strive to make such business one of the Group’s pillar businesses.

Bulk Commodity Trading and Transportation

On another front, the management of the Group believes that there are unlimited business opportunities in international/domestic bulk commodities trading and transportation. Compared with passenger transportation, the management of the Group believes that bulk commodities transportation and related trade are more stable. If the Company can establish a solid foothold in this segment and makes it one of its principal business lines, the Company’s risk resilience and profitability will be greatly enhanced. The management of the Company has already engaged with several potential counterparties with a view to successfully tapping into this business segment for the Company. A voluntary announcement in relation to the development of the relevant business was also issued by the Company on 19 June 2024.

The Group intends to optimize and rectify its existing business lines in the first half of 2025 to increase operational efficiency. Meanwhile, the management of the Group also seeks to intensify the exploration of new business sectors, aiming to create multiple profit sources, providing more stable support for the Group’s revenue and maximising the interests of the Group’s shareholders and investors.

FINANCIAL REVIEW

Revenue, Cost of Sales and Gross Loss

During the Current Period, the Group recorded revenue of approximately HK\$56,029,000 in aggregate, in which of approximately HK\$21,512,000 was generated from the car rental and shuttle bus services business, and approximately HK\$34,517,000 was brought to the Group by information technology business. Revenue for the Corresponding Period amounted to approximately HK\$34,055,000 was all generated from the car rental and shuttle bus services business.

A new segment of revenue of the Group from the information technology business, which was introduced to the Group via acquisition of City Gear and its subsidiaries and purchase of equipment for the computational analytics and processing centre during the financial year of 2023/24, outperformed other business of the Group for the Current Period.

Cost of revenue and services from Information Technology business mainly included procurement, configuration and system development of information technology system, amortization of intangible assets, system maintenance expenses and depreciation of fixed assets. The cost is close to 38.6% to the corresponding revenue, which brought high gross margin to the Group. The Information Technology business was introduced to the Group in the second half of the previous financial year. The development of the information technology business is still in progress.

The TMT Group constantly manages the car rental and shuttle bus services business. The revenue for this business amounted to approximately HK\$21,512,000 for the Current Period, representing a decrease of approximately HK\$12,543,000, or 36.8%, compared to the Corresponding Period.

As a result, the Group achieved a gross profit of approximately HK\$21,700,000 for the Current Period, which mainly contributed from the above mentioned new business, compared to a gross loss of approximately HK\$6,693,000 for the Corresponding Period.

Other Income

Other income of the Group for the Current Period and the Corresponding Period was approximately HK\$886,000 and HK\$2,025,000. The decrease in other income was mainly due to the decreases of bank interest income and net foreign exchange loss during the Current Period.

Administrative and Other Operating Expenses

Administrative and other operating expenses for the Current Period and the Corresponding Period were approximately HK\$25,990,000 and HK\$15,376,000 respectively, representing an increase of approximately HK\$10,614,000, or 69.0%. The increase was mainly attributable to the amortisation of intangible assets from the Information Technology business.

Financial Liabilities at FVTPL

For the Current Period, a fair value loss on financial liabilities at FVTPL amounting to approximately HK\$9,348,000 was recognised. The balance of financial liabilities at FVTPL, which amounted to approximately HK\$29,456,000 and HK\$20,108,000 as at 31 December 2024 and 30 June 2024 respectively, represented contingent consideration in purchase of City Gear and its subsidiaries. The promissory note in the principle amount of HK\$40,000,000 shall be payable to the vendor in the case that the guaranteed profit of City Gear reaches HK\$14,000,000 for the 12 months from acquisition completion date on 28 March 2024.

Finance cost

Finance costs of the Group for the Current Period amounted to approximately HK\$5,354,000, representing an increase of approximately HK\$1,437,000 or 36.7% compared to the Corresponding Period of approximately HK\$3,917,000. The increase in finance cost was mainly due to the rise in interest rate charged on corporate bonds for short period of time which was settled at balance sheet date and interest charged on increased balances of bank loans.

Loss attributable to the owners of the Company

As a result of the aforesaid, the Group recorded a loss after income tax expense of approximately HK\$19,133,000 for the Current Period and approximately HK\$23,961,000 for the Corresponding Period, representing a decrease in loss of approximately HK\$4,828,000 or 20.1%. The loss attributable to the owners of the Company for the Current Period and the Corresponding Period was approximately HK\$19,238,000 and HK\$22,813,000 respectively, representing a decrease in loss of approximately HK\$3,575,000 or 15.7%.

Non-current Assets

The non-current assets decreased by approximately HK\$22,686,000 from HK\$254,641,000 as at 30 June 2024 to HK\$231,955,000 as at 31 December 2024. The decrease in non-current assets was mainly attributable to a decrease in non-current portion of prepayments, an increase in amortization of intangible assets, an increase in depreciation of property, plant and equipment and right-of-use assets and replacement of obsoleted motor vehicles for the Current Period.

Current Assets

The current assets increased by approximately HK\$106,864,000 from HK\$217,442,000 as at 30 June 2024 to HK\$324,306,000 as at 31 December 2024. The increase was mainly due to the increase in bank and cash balances by recovery of other receivables and return of down payments, and an increase in trade receivables from the information technology business during the Current Period.

Total Liabilities

The total of non-current and current liabilities of the Group increased by HK\$104,404,000, from approximately HK\$368,834,000 as at 30 June 2024 to HK\$473,238,000 as at 31 December 2024. The increase in liabilities was mainly due to the increase in trade payables and contracted liabilities with suppliers of information technology, financial liabilities at FVTPL, bank loans, and accruals for operating expenses.

Net Assets

As at 31 December 2024, net assets amounted to HK\$83,023,000, representing a decrease of HK\$20,226,000 from approximately HK\$103,249,000 as at 30 June 2024. The decrease in net assets was mainly due to the loss attributable to owners of the Company for the Current Period.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2024, the issued share capital of the Company was approximately HK\$3,587,769,000 divided into 4,387,628,409 Shares. During the Current Period, the Group financed its operations through cash flow from operating activities and proceeds from borrowings. As at 31 December 2024, the cash and bank balances of the Group amounted to approximately HK\$152,945,000 (30 June 2024: HK\$45,758,000).

As at 31 December 2024, the Group had current assets of approximately HK\$324,306,000 (30 June 2024: HK\$217,442,000), while its current liabilities were approximately HK\$470,568,000 (30 June 2024: HK\$364,789,000). The current ratio of the Group was approximately 0.69 times (30 June 2024: 0.60 times) and gearing ratio (debts/total assets) was 49.2% (30 June 2024: 50.7%).

USE OF PROCEEDS FROM SHARE SUBSCRIPTIONS AND OPEN OFFER

The First Subscription, the Open Offer and the Debt Restructuring are integral parts of the Resumption Proposal to facilitate Resumption. Relevant details are as follows:

On 31 December 2021, a circular containing, among other things, a notice convening the general meeting (the "GM") held on 21 January 2022 and the information relating to (a) the Capital Reorganisation; (b) the First Subscription; (c) the Open Offer; and (d) the Debt Restructuring, was despatched to the Shareholders. On 21 January 2022, resolutions as set out in the GM notice were duly passed by the Shareholders or independent Shareholders (as the case may be).

The Capital Reorganisation comprises the Share Consolidation and the Change in Board Lot Size. Every 10 issued existing Shares were consolidated into one Consolidated Share with effect from 25 January 2022 and the Change in Board Lot Size from 10,000 Shares to 20,000 Consolidated Shares took effect on 10 March 2022.

The First Subscription

On 30 July 2019, the Company entered into the Subscription Agreement (as supplemented by a supplemental agreement dated 29 September 2020) with Mr. Ji Kaiping (“Mr. Ji”) and Mr. Guo Peiyuan (“Mr. Guo”). On 24 February 2021, 24 June 2021 and 24 December 2021, the Company, Mr. Ji, Thousand Joy Limited (“Thousand Joy”), Mr. Guo and Hontin Ocean Resources Limited (“Hontin”) entered into the Revised Subscription Agreement (the “Revised Subscription Agreement”) to amend and restate the Subscription Agreement, pursuant to which 1,588,000,000 new Consolidated Shares (“Subscription Shares”) in aggregate would be subscribed by Thousand Joy and Hontin in which (i) Thousand Joy has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 972,500,000 new Consolidated Shares; and (ii) Hontin has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 615,500,000 new Consolidated Shares at the Subscription Price of HK\$0.11 per Subscription Share. The gross proceeds of the First Subscription were HK\$174,680,000. The Subscription Price of HK\$0.11 per Subscription Share represents a discount of approximately 92.3% to the theoretical closing price of HK\$1.42 per Consolidated Share as adjusted for the effect of the Share Consolidation based on the closing price of HK\$0.142 per Share as quoted on the Stock Exchange on the Last Trading Day (i.e. 29 July 2016, being the last trading day of the Shares immediately prior to the suspension of trading of the Shares). The First Subscription completed on 9 March 2022. The 1,588,000,000 Subscription Shares were issued under a specific mandate obtained at the GM held on 21 January 2022. The net proceeds arising from the First Subscription after deducting related expenses amounted to approximately HK\$170,573,000 (equivalent to a net price of approximately HK\$0.107 per Subscription Share).

The Open Offer

As part of the fund raising plan under the Resumption Proposal, the Company and Emperor Securities Limited (“Underwriter”) entered into the Underwriting Agreement on 24 June 2021, and the Supplemental Underwriting Agreements on 20 September 2021, 20 October 2021 and 30 November 2021 respectively. Pursuant to the Underwriting Agreement (as supplemented by the Supplemental Underwriting Agreements), the Underwriter conditionally agreed to fully underwrite 641,177,050 Consolidated Shares at the offer price of HK\$0.11 per Offer Share on the basis of one Offer Share for every one then existing Consolidated Share held by Qualifying Shareholder on the Open Offer Record Date (i.e. 8 February 2022). The Offer Shares not taken up by the Qualifying Shareholders will first be placed out by the Placing Agent under the Unsubscribed Shares Arrangement, and any Untaken Shares will then be taken up by the Underwriter, sub-underwriter(s) or subscriber(s) procured by them. The gross proceeds of the Open Offer were HK\$70,529,475.5. The Offer Price of HK\$0.11 per Offer Share was the same as the Subscription Price. The Open Offer completed on 9 March 2022. The Offer Shares were issued under a specific mandate obtained at the GM held on 21 January 2022. The net proceeds arising from the Open Offer after deducting related expenses amounted to approximately HK\$65,212,000 (equivalent to a net price per Offer Share of approximately HK\$0.102). The Company intends to utilise the entire net proceeds from the Open Offer for the settlement of debt under the Debt Restructuring.

As disclosed in the announcement of the Company dated 25 February 2022, a total of 7 valid applications had been received for a total of 108,260,129 Offer Shares as at 4:00 p.m. on 23 February 2022, representing approximately 16.88% of the total number of Offer Shares available for subscription under the Open Offer. The remaining 532,916,921 Unsubscribed Shares, representing approximately 83.12% of the total number of Offer Shares available for subscription under the Open Offer, were subject to the Unsubscribed Shares Arrangement. As at 4:00 p.m. on 4 March 2022, 4,360,000 Unsubscribed Shares had been placed by the Placing Agent. Accordingly, an aggregate of 528,556,921 Untaken Shares were taken up by the Underwriter/Sub-underwriters and their respective sub-underwriters and independent places procured by them pursuant to the terms of the Underwriting Agreement. The results of the Open Offer were announced on 8 March 2022 and the Offer Shares had been issued and allotted on 9 March 2022.

On 9 March 2022, the Board announced that (i) all the conditions precedent to the First Subscription had been fulfilled and 972,500,000 Subscription Shares and 615,500,000 Subscription Shares had been allotted and issued to Thousand Joy and Hontin, respectively in accordance with the terms of the Revised Subscription Agreement; and (ii) all the conditions precedent to the Debt Restructuring had been fulfilled and a total of 207,274,309 Creditors Shares had been allotted and issued to 11 Creditors under the Debt Restructuring.

Upon completion of the First Subscription, the Open Offer and the Debt Restructuring on 9 March 2022, the Company had fulfilled all the SFC Resumption Conditions and the Stock Exchange Resumption Conditions, trading in Shares resumed on 10 March 2022.

Capitalised terms used in the sub-sections headed “The First Subscription” and “The Open Offer” shall have the same meanings as those defined in the circular issued by the Company dated 31 December 2021, unless the context requires otherwise. For more details, please refer to the announcements of the Company dated 21 January 2022, 25 January 2022, 25 February 2022, 8 March 2022 and 9 March 2022, the circular of the Company dated 31 December 2021 and the prospectus of the Company dated 9 February 2022.

The Second Subscription

To strengthen the financial position (in particular the working capital and cash flow position) of the Group, on 26 October 2022, the Company entered into two separate conditional Subscription Agreements with Mr. Fan Lian and Mr. Tian Xin to proceed with the Second Subscription. Pursuant to the Subscription Agreements, Mr. Fan Lian and Mr. Tian Xin have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 610,000,000 Subscription Shares at a price of HK\$0.115 per Subscription Share. The completion of the Second Subscription took place on 8 November 2022. The 610,000,000 Subscription Shares were issued under the general mandate obtained at the annual general meeting of the Company held on 28 June 2022.

The gross proceeds arising from the Second Subscription were HK\$70,150,000. The Subscription Price of HK\$0.115 per Subscription Share was the same as the closing price of HK\$0.115 per Share as quoted on the Stock Exchange on 26 October 2022, being the date of the Subscription Agreements. After deduction of relevant expenses of the Second Subscription, the net proceeds arising from the Second Subscription amounted to approximately HK\$70,030,000 (equivalent to a net price per Subscription Share of approximately HK\$0.1148). The net proceeds arising from the Second Subscription would be used by the Company (i) as to approximately 70% or more of the net proceeds for enhancement of existing business of the Group and for business expansion of the Company, including but not limited to investment in freight and logistics services, digital economy related business, highway service and/or other potential business development when such opportunities arise; and (ii) the remaining net proceeds as general working capital of the Group.

Capitalised terms used in this sub-section headed “The Second Subscription” shall have the same meanings as those defined in the announcement of the Company dated 26 October 2022, unless the context requires otherwise.

The Third Subscription

To further strengthen financial position of the Company, the Company entered into a separate conditional subscription agreement (the “2023 Subscription Agreement”) with Hot Mediatech Group Pte. Ltd. (“Hot Mediatech”), which is wholly-owned by Ms. Li Jiayi, on 24 November 2023 to proceed with the Third Subscription. Pursuant to the 2023 Subscription Agreement, Hot Mediatech has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 700,000,000 Subscription Shares at a price of HK\$0.115 per Subscription Share. The completion of the Third Subscription took place on 8 December 2023. The 700,000,000 Subscription Shares were issued under the general mandate obtained at the general meeting of the Company held on 3 April 2023.

The gross proceeds arising from the Third Subscription were HK\$80,500,000. The subscription price of HK\$0.115 per Subscription Share was at premium of 40.24% to the closing price of HK\$0.087 per Share as quoted on the Stock Exchange on 24 November 2023, being the date of the 2023 Subscription Agreement. After deduction of relevant expenses of the Third Subscription, the net proceeds arising from the Third Subscription amounted to approximately HK\$80,400,000 (equivalent to a net price per Subscription Share of approximately HK\$0.1149). The net proceeds arising from the Third Subscription would be used by the Company as to (i) approximately 74.63% for investment activities when such investment opportunities arise; and (ii) approximately 25.37% for general working capital.

Capitalised terms used in this sub-section headed “The Third Subscription” shall have the same meanings as those defined in the announcement of the Company dated 24 November 2023, unless the context requires otherwise.

Details of the breakdown and description of the use of net proceeds arising from the First Subscription, the Open Offer, the Second Subscription and the Third Subscription are set out below:

| Intended use of net proceeds | Total planned amount | Unutilised amount as at 1 July 2024 | Net Proceeds | | | Expected timeline for the unutilised Net Proceeds |
|--|----------------------|-------------------------------------|---|---|--|---|
| | | | Net proceeds received during the Current Period | Utilised amount during the Current Period | Unutilised amount as at 31 December 2024 | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| Proceeds from the First Subscription and the Open Offer | | | | | | |
| Settlement of debt under the Debt Restructuring | 160,000 | 41,906 | - | - | 41,906 | Year 2024/25 |
| Business expansion | 51,185 | - | - | - | - | - |
| General working capital | 24,600 | - | - | - | - | - |
| Proceeds from the Second Subscription | | | | | | |
| Business enhancement and business expansion | 49,030 | - | - | - | - | - |
| General working capital | 21,000 | - | - | - | - | - |
| Proceeds from the Third Subscription | | | | | | |
| Investment activities | 60,000 | - | - | - | - | - |
| General working capital | 20,400 | - | - | - | - | - |
| Total | 386,215 | 41,906 | - | - | 41,906 | |

The net proceeds arising from the First Subscription, the Open Offer, the Second Subscription and the Third Subscription were used according to the intentions previously disclosed by the Company. Nevertheless, the Directors will constantly evaluate the Group's business objectives and may change or modify the plan against changing market conditions to ascertain the business growth of the Group.

MATERIAL ACQUISITION, DISPOSAL AND SIGNIFICANT INVESTMENTS HELD

The Group did not have any material acquisition and disposal of subsidiaries, associates and joint ventures during the six months ended 31 December 2024 and did not have any significant investments held as at 31 December 2024.

FOREIGN EXCHANGE EXPOSURE

During the six months ended 31 December 2024, the majority of the Group's income and expenses were denominated in Renminbi and Hong Kong dollars. Up to 31 December 2024, the management of the Company was of the opinion that the Group has insignificant exposure to foreign exchange risk. The Group did not use any financial instruments for hedging against fluctuation in foreign exchange for the six months ended 31 December 2024. Nevertheless, the management of the Company will closely monitor and from time to time reassess the exchange risk exposures of the Group and enter into non-speculative hedging arrangements if considered necessary.

EMPLOYEE INFORMATION

As at 31 December 2024, the Group had 282 employees (including the Directors) in Hong Kong and the PRC (30 June 2024: 335). Information of staff cost for the Current Period is set out in note 10 to the condensed consolidated interim financial statements. The Group continues to provide remuneration packages to employees according to market practices, their experience and performance. Remuneration policy is basically determined with reference to individual performance as well as the financial results of the Group. Remuneration to staff will be reviewed from time to time when warranted considering the performance of staff. Other benefits include medical insurance scheme and contribution of statutory mandatory provident fund for the employees. The Group continues to provide necessary employee training on a regular basis in order to maintain the quality of business operation and services to customers. There has been no major change in employee policies during the six months ended 31 December 2024.

BORROWINGS AND CHARGES ON THE GROUP'S ASSETS

As at 31 December 2024, the Group recorded bank loans, other loans and corporate bonds of approximately HK\$80,879,000. Motor vehicles classified as non-current assets, with carrying value of approximately HK\$28,637,000, had been pledged to bank loans.

All other loans are unsecured, totaling approximately HK\$33,000,000 bearing an interest rate of 4% to 4.5% and repayable on demand or within one year. Bank loans are secured, bearing an interest rate of one year LPR to LPR+1.81%, and repayable in 2 to 4 years from the date of borrowing.

CAPITAL COMMITMENTS

Details of capital commitments were disclosed in note 21 to the condensed consolidated interim financial statements in this report.

CONTINGENT LIABILITIES

Details of contingent liabilities were disclosed in note 19 to the condensed consolidated interim financial statements in this report.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the Current Period and up to the date of this interim report.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE' S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 December 2024, the interests and short positions of the Directors or 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 (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long Position in the Shares

| Name of Director | Capacity/ Nature of interest | Number of Shares held | Approximate percentage of interest in the Company |
|--------------------------------|---|----------------------------------|--|
| Mr. Ji Kaiping ("Mr. Ji") | Interest of a controlled corporation | 972,500,000 (Note 1) | 22.16% |
| Mr. Guo Peiyuan ("Mr. Guo") | Interest of a controlled corporation | 615,500,000 (Note 2) | 14.03% |
| Mr. Qiu Keshan | Beneficial Owner | 3,140,000 | 0.07% |
| Mr. Tian Xin | Beneficial Owner | 63,000,000 | 1.44% |

Notes:

- (1) Such Shares were registered in the name of Thousand Joy Limited (“Thousand Joy”), a company wholly owned by Mr. Ji. By virtue of the provisions of Part XV of the SFO, Mr. Ji is deemed to be interested in all the Shares held by Thousand Joy. Mr. Ji is a director of Thousand Joy.
- (2) Such Shares were registered in the name of Hontin Ocean Resources Limited (“Hontin Ocean”), a company wholly owned by Mr. Guo. By virtue of the provisions of Part XV of the SFO, Mr. Guo is deemed to be interested in all the Shares held by Hontin Ocean. Mr. Guo is a director of Hontin Ocean.

Save as disclosed above, as at 31 December 2024, none of the Directors and/or chief executive of the Company or their associates had or was deemed to have 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 would have 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 each of them has taken or deemed to have taken under the SFO), or which would be required, pursuant to section 352 of the SFO, to be entered in the register required to be kept therein or which would be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 December 2024, the interests or short positions of every person, other than a Director or chief executive of the Company, in the Shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

| Name of shareholder | Capacity/ Nature of interest | Long position/ short position | Number of Shares held | Approximately percentage of total number of Shares in issue |
|---|---|----------------------------------|--------------------------|--|
| Thousand Joy (Note 1) | Beneficial owner | Long position | 972,500,000 | 22.16% |
| Hot Mediatech Group Pte. Ltd. ("Hot Mediatech") (Note 2) | Beneficial owner | Long position | 700,000,000 | 15.95% |
| Ms. Li Jiayi ("Ms. Li") (Note 2) | Interest of a controlled corporation | Long position | 700,000,000 | 15.95% |
| Hontin Ocean (Note 3) | Beneficial owner | Long position | 615,500,000 | 14.03% |

Notes:

- (1) Thousand Joy is wholly owned by Mr. Ji.
- (2) Hot Mediatech is wholly owned by Ms. Li. Ms. Li is deemed to be interested in all the Shares held by Hot Mediatech.
- (3) Hontin Ocean is wholly owned by Mr. Guo.

Save as disclosed above, as at 31 December 2024, the Directors and the senior management of the Company are not aware of any other person who had an interest or short position in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of Part XV of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 31 December 2024 were rights to acquire benefits by means of the acquisition of Shares in or debenture of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors nor their respective close associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group during the six months ended 31 December 2024.

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

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the six months ended 31 December 2024.

CORPORATE GOVERNANCE PRACTICES

The Board and the management are committed to maintaining and ensuring high standards of corporate governance as good corporate governance can safeguard the interests of all shareholders and enhance corporate value. The Company has adopted the principles and code provisions of the Corporate Governance Code ("CG Code") as set out in Part 2 of Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices. During the six months ended 31 December 2024, the Company was in compliance with the relevant code provisions set out in the CG Code except for the deviations explained below.

| The code provision | Reasons for the non-compliance and improvement actions took or to be taken |
|---------------------------|---|
| C.2.1 | The Company has not appointed a chief executive officer as role and functions of chief executive officer have been performed by all the executive Directors collectively. The Board believes that this arrangement enables the Company to make and implement decisions promptly, and thus achieve the Company's objectives effectively and efficiently in response to the changing environment. The Board will continuously assess whether any changes are necessary. |

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) was established with written terms of reference in compliance with the CG Code. The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Li Wen (as the chairman of the Audit Committee), Mr. Qiu Ke and Ms. Chen Yen Yung, and one non-executive Director, namely Mr. An Jingwen.

The principal duties of the Audit Committee include the review and supervision of the Group’s financial reporting process, risk management and internal control systems, and review of the Group’s financial information. The Audit Committee has reviewed the Group’s unaudited condensed consolidated interim results for the six months ended 31 December 2024 and is of the opinion that such results complied with the applicable accounting standards and the requirements under the Listing Rules, and that adequate disclosures have been made.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the code of conduct for securities transactions by the Directors. Having made specific enquiry of the Directors, all the Directors confirmed that they had complied with the required standards as set out in the Model Code throughout the six months ended 31 December 2024.

The Company has also adopted the Model Code as the code of conduct for securities transactions by employees of the Company who are likely to be in possession of unpublished inside information of the Company. No incident of non-compliance of the Model Code by the relevant employees of the Company was noted by the Company during the six months ended 31 December 2024.

On Behalf of the Board
National United Resources Holdings Limited
Ji Kaiping
Chairman

Hong Kong, 25 February 2025

As at the date of this report, the executive Directors are Mr. Ji Kaiping (Chairman), Mr. Guo Peiyuan, Ms. Mao Na, Mr. Qiu Keshan and Mr. Tian Xin, the non-executive Director is Mr. An Jingwen, and the independent non-executive Directors are Mr. Li Wen, Mr. Qiu Ke and Ms. Chen Yen Yung.