

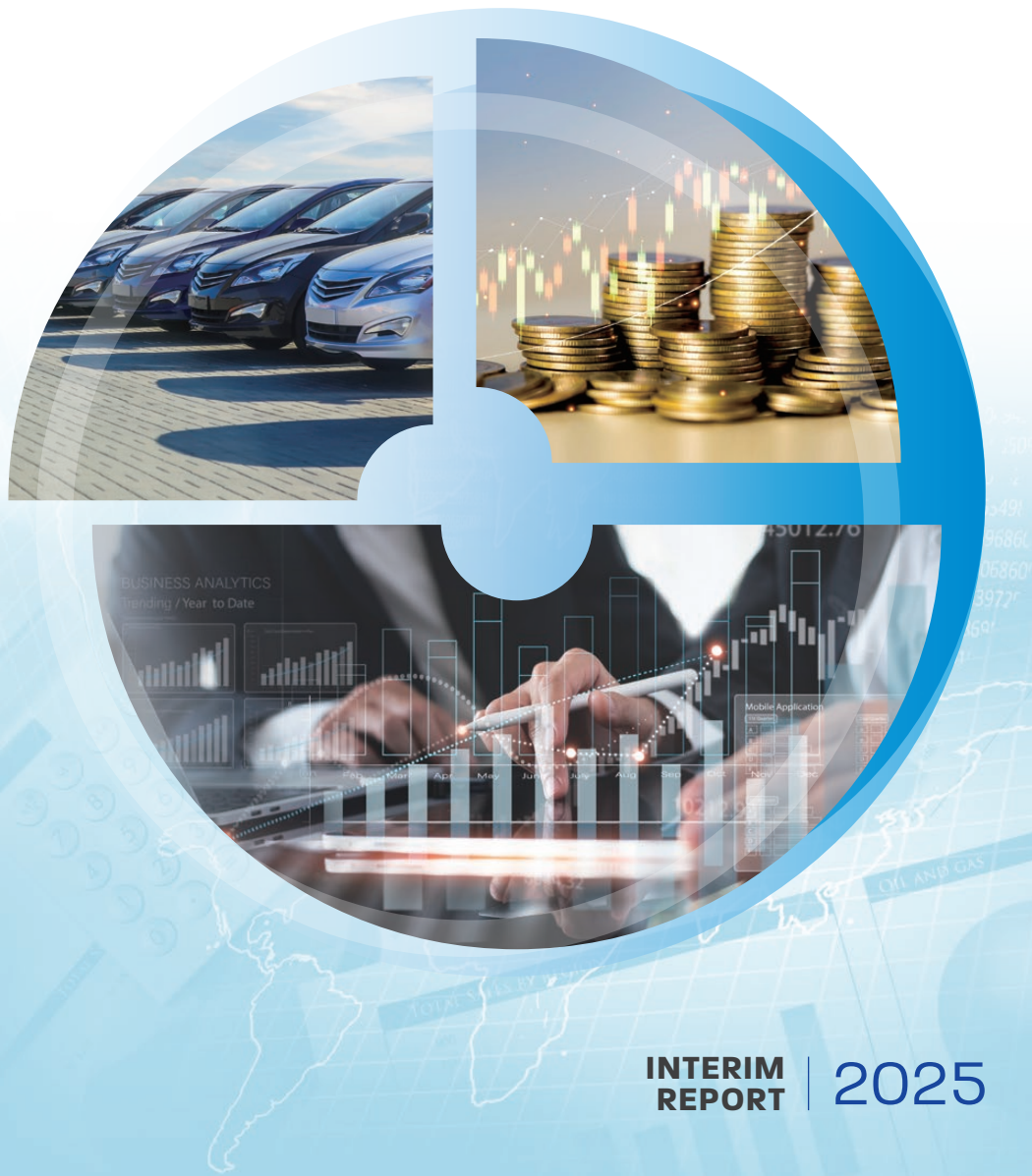


華億金控集團有限公司

SINOFORTUNE FINANCIAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 08123)



**INTERIM
REPORT**

2025

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Directors”) of Sinofortune Financial Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

Highlights

The Group recorded a revenue of approximately HK\$4,501,000 for the six months ended 30 June 2025.

Profit for the six months ended 30 June 2025 was approximately HK\$7,027,000.

Profit attributable to owners of the Company for the six months ended 30 June 2025 amounted to approximately HK\$6,975,000.

Basic earnings per share was 0.09 HK cent.

The Directors do not recommend the payment of a dividend for the six months ended 30 June 2025.

Interim Results (Unaudited)

The board of Directors of the Company (the “Board”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2025 together with the comparative unaudited figures for the period ended 30 June 2024.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		Six months ended 30 June 2025 HK\$'000 (unaudited)	2024 HK\$'000 (restated) (unaudited)
	Notes		
Continuing operations			
Revenue	3	4,501	20,343
Other income and gain/(loss), net	5	34	114
Changes in inventories of finished goods		(4,494)	(19,549)
Employee benefit expenses		(5,272)	(5,292)
Depreciation of property, plant and equipment		(1,182)	(917)
Depreciation of right-of-use assets		(280)	(282)
Impairment loss recognised on trade receivables reversed		779	–
Impairment loss on advance payments for purchase of trading motor vehicles reversed		18,642	–
Finance costs		(1,466)	(1,734)
Other expenses		(4,346)	(3,994)
Profit/(loss) before income tax		6,916	(11,311)
Income tax credit	6	111	29
Profit/(loss) for the period from continuing operations		7,027	(11,282)
Discontinued operations			
Loss for the period from discontinued operations	7	–	(1,700)
Profit/(loss) for the period		7,027	(12,982)

	Six months ended	
	30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(restated)
	(unaudited)	(unaudited)
Other comprehensive income/(loss)		
<i>Item that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	965	(3,080)
Other comprehensive income/(loss) for the period, net of tax	965	(3,080)
Total comprehensive income/(loss) for the period	7,992	(16,062)
Profit/(loss) for the period attributable to:		
Owners of the Company	6,975	(12,973)
Non-controlling interests	52	(9)
	7,027	(12,982)
Profit/(loss) for the period attributable to owners of the Company		
– from continuing operations	6,975	(11,273)
– from discontinued operations	–	(1,700)
	6,975	(12,973)
Profit/(loss) for the period attributable to non-controlling interests		
– from continuing operations	52	(9)
– from discontinued operations	–	–
	52	(9)

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(restated) (unaudited)
Total comprehensive income/(loss) for the period attributable to:		
Owners of the Company	7,942	(16,049)
Non-controlling interests	50	(13)
	7,992	(16,062)
Total comprehensive income/(loss) attributable to owners of the Company		
– from continuing operations	7,992	(14,362)
– from discontinued operations	–	(1,700)
	7,992	(16,062)

		Six months ended 30 June	
	Note	2025	2024
		HK cent	HK cent
		(unaudited)	(restated) (unaudited)
Earnings/(loss) per share attributable to owners of the Company for the period			
Basic earnings/(loss) per share	8		
From continuing and discontinued operations		0.09	(0.17)
From continuing operations		0.09	(0.15)
From discontinued operations		–	(0.02)
Diluted earnings/(loss) per share			
From continuing and discontinued operations		N/A	N/A
From continuing operations		N/A	N/A
From discontinued operations		N/A	N/A

Condensed Consolidated Statement of Financial Position

At 30 June 2025

	Notes	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment		17,880	19,895
Right-of-use assets		135	407
Prepayments, deposits and other receivables	10	28,735	47,128
		46,750	67,430
Current assets			
Inventories		38	37
Trade receivables	9	218	–
Prepayments, deposits and other receivables	10	80,739	36,751
Bank balances and cash		9,512	13,532
		90,507	50,320
Total assets		137,257	117,750
Current liabilities			
Other payables and accruals		1,719	1,370
Contract liabilities		64,351	60,140
Provisions		11,353	11,019
Borrowings		25,000	28,000
Lease liabilities		144	434
Amount due to a director	11	10,000	–
		112,567	100,963

	Note	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Net current liabilities		(22,060)	(50,643)
Total assets less current liabilities		24,690	16,787
Non-current liabilities			
Deferred tax liabilities		1,928	2,017
		1,928	2,017
Net assets		22,762	14,770
Capital and reserves			
Share capital	12	77,489	77,489
Reserves		(54,677)	(62,619)
Equity attributable to owners of the Company		22,812	14,870
Non-controlling interests		(50)	(100)
Total equity		22,762	14,770



Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Special reserve	Statutory reserve	Translation reserve	Accumulated losses		
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Balance at 1 January 2024 (audited)	77,489	1,673,299	4,779	3,912	(21,034)	(1,620,393)	118,052	118,219
Loss for the period	-	-	-	-	-	(12,973)	(12,973)	(12,982)
Other comprehensive loss for the period	-	-	-	-	(3,076)	-	(3,076)	(3,080)
Total comprehensive loss for the period	-	-	-	-	(3,076)	(12,973)	(16,049)	(16,062)
Balance at 30 June 2024 (unaudited)	77,489	1,673,299	4,779	3,912	(24,110)	(1,633,366)	102,003	102,157
Balance at 1 January 2025 (audited)	77,489	1,673,299	-	3,912	(25,464)	(1,714,366)	14,870	14,770
Profit for the period	-	-	-	-	-	6,975	6,975	7,027
Other comprehensive income/(loss) for the period	-	-	-	-	967	-	967	965
Total comprehensive income for the period	-	-	-	-	967	6,975	7,942	7,992
Balance at 30 June 2025 (unaudited)	77,489	1,673,299	-	3,912	(24,497)	(1,707,391)	22,812	22,762

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Net cash (used in)/generated from operating activities	(1,010)	7,728
Net cash used in investing activities	(10)	(23)
Net cash used in financing activities	(3,000)	(1,713)
Net (decrease)/increase in cash and cash equivalents	(4,020)	5,992
Cash and cash equivalents at the beginning of the period	13,532	19,554
Cash and cash equivalents at the end of the period	9,512	25,546
Cash and cash equivalents at end of the reporting period:		
Bank balances and cash, excluding trust accounts	9,512	25,546

Note to Unaudited Condensed Consolidated Financial Statements

1. General Information

Sinofortune Financial Holdings Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands. The Company’s registered office is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s principal place of business is situated at 16th Floor, CMA Building, No. 64-66 Connaught Road Central, Hong Kong.

In the opinion of the directors of the Company, the ultimate controlling party of the Company is Mr. Wang Jiawei, the Chairman and executive director of the Company.

The Company’s shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

During the current period, the Group, comprising the Company and its subsidiaries, was principally engaged in (i) trading of motor vehicles, provision of agency services and accessories sourcing in the People’s Republic of China (“PRC”), excluding Hong Kong and (ii) trading of listed securities in Hong Kong.

On 9 July 2024, the Group discontinued its operations of provision of brokerage and securities margin financing services in Hong Kong. Certain comparative figures in the unaudited condensed consolidated statement of profit or loss and other comprehensive income together with related disclosure notes have been restated to conform with current period’s presentation.

The functional currency of the Company was changed from Hong Kong dollars to Renminbi (“RMB”) upon completion of disposal of the business of provision of brokerage and securities margin financing services in Hong Kong. Subsequent to the disposal, the Company mainly holds subsidiaries whose underlying operations are primarily in the PRC, excluding Hong Kong. The directors of the Company have determined that RMB better reflects the economic substance of the Company’s business activity. Accordingly, the functional currency of the Company was changed to RMB prospectively from the date of disposal.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is different from the Company’s functional currency of RMB. For the convenience of the financial statements users, the unaudited condensed consolidated financial statements are presented in HK\$, as the Company’s shares are listed on GEM of the Stock Exchange. All values stated in these unaudited condensed consolidated financial statements are rounded to the nearest thousands Hong Kong dollars (HK\$’000), unless otherwise stated. These unaudited condensed consolidated financial statements have been approved and authorised for issue by the Board of Directors on 29 August 2025.

2. Basis of Preparation

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by The Hong Kong Institute of Certified Public Accountants. For the purpose of preparation of the unaudited condensed consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the unaudited condensed consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("GEM Listing Rules") and by the Hong Kong Companies Ordinance.

Going concern basis

As at 30 June 2025, the total current liabilities of the Group exceed the Group's total current assets by approximately HK\$22,060,000. The directors of the Company considered it appropriate for the preparation of the condensed consolidated financial statements on a going concern basis for at least twelve months after the end of the reporting period after taking into account the following circumstances and measures:

- (i) On 18 August 2025, the Company entered into a formal agreement with a third party for disposal of the entire issued share capital of Sinofortune Property Limited for a cash consideration of HK\$29,000,000. The proceeds will be used to repay the secured borrowings; and
- (ii) The Group is implementing various measures, such as optimising its overall sales network and undergoing effective cost control to improve the profit margin and operating cash flows of its business.

The directors of the Company are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due for at least twelve months after 30 June 2025. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis. Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying amounts of the Group's assets to their net realisable amounts, to provide for further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the condensed consolidated financial statements.



The material accounting policies applied in the preparation of these unaudited condensed consolidated financial statements were consistent with those applied for the financial statements of the Group for the year ended 31 December 2024, except for the adoption of the following amendments to HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKAS 21

Lack of Exchangeability

The directors of the Company anticipate the application of the amendments to HKAS 21 will have no material impact on the unaudited condensed consolidation financial statements.

3. Revenue

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (restated) (unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
– Trading of motor vehicles where the Group acts as principal	4,501	19,715
– Agency and service fees income from accessories sourcing	–	628
	4,501	20,343
Disaggregated by timing of revenue recognition within the scope of HKFRS 15		
– At point in time	4,501	20,343

4. Segment Information

The executive directors of the Company (the “Executive Directors”) are regarded as the chief operating decision-maker. The Executive Directors review the Group’s internal reporting in order to assess performance and allocate resources. Operating segments were determined based on these reports.

Specifically, the Group’s reportable segments comprised the followings:

1. Trading of motor vehicles, provision of agency services and accessories sourcing – trading of motor vehicles, provision of agency and related services
2. Trading of listed securities – securities trading
3. Brokerage and securities margin financing services – provision of brokerage and securities margin financing services (discontinued operations)

On 9 July 2024, the Group disposed of its subsidiaries which were principally engaged in brokerage and securities margin financing business and discontinued these operations of brokerage and securities margin financing services following the disposal.



The Group's revenue and results of the reportable segments for the six months ended 30 June 2025 is as follows:

	Continuing operations			Discontinued operations	
	Trading of motor vehicles, provision of agency services and accessories sourcing HK\$'000 (unaudited)	Trading of listed securities HK\$'000 (unaudited)	Sub-total HK\$'000 (unaudited)	Brokerage and securities margin financing services HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Segment revenue					
External sales	4,501	–	4,501	–	4,501
Inter-segment sales	–	–	–	–	–
	4,501	–	4,501	–	4,501
Segment profit/(loss)	16,794	(208)	16,586	–	16,586
Interest income					2
Other income and losses, net					(1)
Unallocated expenses					(8,205)
Finance costs					(1,466)
Profit before income tax					6,916
Income tax credit					111
Profit for the period					7,027

The Group's revenue and results of the reportable segments for the six months ended 30 June 2024 is as follows:

	Continuing operations			Discontinued operations	
	Trading of motor vehicles, provision of agency services and accessories sourcing	Trading of listed securities	Sub-total	Brokerage and securities margin services financing	Total
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Segment revenue					
External sales	20,343	–	20,343	157	20,500
Inter-segment sales	–	–	–	–	–
	20,343	–	20,343	157	20,500
Segment loss	(1,739)	(80)	(1,819)	(1,698)	(3,517)
Interest income					11
Other income and gains, net					188
Unallocated expenses					(7,959)
Finance costs					(1,734)
Loss before income tax					(13,011)
Income tax credit					29
Loss for the period					(12,982)

The Group mainly operates in Hong Kong and the PRC. Revenue from external customers are allocated based on the geographical areas in which the customers are located.

Continuing operations

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Revenue		
The PRC	4,501	20,343

5. Other Income and Gain/(Loss), Net

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(restated) (unaudited)
Continuing operations		
Other income		
Interest income from bank deposits	35	42
Sundry income	97	109
	132	151
Other gains and losses		
Fair value gain on financial assets at fair value through profit or loss		
– Listed equity securities	–	24
Exchange (losses)/gains, net	(98)	76
Loss on disposal of financial at fair value through profit or loss		
– Listed equity securities	–	(77)
– Unlisted equity investment	–	(60)
Other losses, net	(98)	(37)
Other income and gain/(loss), net	34	114

6. Income Tax Credit

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Deferred tax credit	(111)	(29)

No provision for Hong Kong profits tax and PRC enterprise income tax has been made in the unaudited condensed consolidated financial statements as the group companies incurred tax losses for the period. (For the six months ended 30 June 2024: Nil).

7. Discontinued Operations

On 9 July 2024, the Company entered into an agreement with certain independent third parties to dispose of 100% equity interest in a subsidiary, Sinofortune Financial Holdings (BVI) Limited ("Sinofortune BVI"). Sinofortune BVI and its subsidiaries are principally engaged in the provision of brokerage and securities margin financing services. The disposal was completed on 9 July 2024, the date on which control of Sinofortune BVI passed to the acquirers and the Group discontinued its operations undertaken by the disposed subsidiaries on that date.

Loss for the period from discontinued operations

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Revenue	–	157
Other income and gain/(loss), net	–	6
Other direct costs	–	(26)
Employee benefit expenses	–	(1,230)
Depreciation of property, plant and equipment	–	(3)
Other expenses	–	(604)
Loss before income tax	–	(1,700)
Income tax credit	–	–
Loss for the period from discontinued operations	–	(1,700)

8. Earnings/(Loss) Per Share

(i) Basic earnings/(loss) per share

From continuing operations

The calculation of the basic earnings/(loss) per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Profit/(loss) for the purpose of basic earnings/(loss) per share		
Profit/(loss) for the period attributable to owners of the Company from continuing operations	6,975	(11,273)
	Six months ended 30 June	
	2025 '000	2024 '000
Number of shares for the purpose of basic earnings/(loss) per share		
Weighted average number of ordinary shares in issue during the period	7,748,958	7,748,958

From continuing and discontinued operations

The calculation of the basic earnings/(loss) per share from continuing and discontinued operations attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit/(loss) for the purpose of basis earnings/(loss) per share		
Profit/(loss) for the period attributable to owners of the Company	6,975	(12,973)

The number of ordinary shares used for the calculation of the basic earnings/(loss) per share from continuing and discontinued operations is the same as that detailed above for the basic earnings/(loss) per share from continuing operations.

From discontinued operations

The calculation of basic loss per share from discontinued operations attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss for the purpose of basic loss per share		
Loss for the period attributable to owners of the Company from discontinued operations	–	(1,700)

The number of ordinary shares used for the calculation of the basic loss per share from discontinued operations is the same as that detailed above for the basic earnings/(loss) per share from continuing operations.

(ii) **Diluted earnings/(loss) per share**

No diluted earnings/(loss) per share for the six months ended 30 June 2025 and 30 June 2024 are presented as there were no potential ordinary shares in issue during both of the periods.

9. Trade Receivables

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Trade receivables arising from trading of motor vehicles:		
Gross receivables	1,526	2,038
Less: impairment loss recognised (Note)	(1,308)	(2,038)
	218	–

Receivables from trading of motor vehicles

The receivables from customers in respect of the trading of motor vehicles are due in 120 days from date of billing.

The following is an aged analysis of trade receivables arising from trading of motor vehicles based on invoice dates and net off loss allowance at the reporting period:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
0 to 30 days	218	–

The maximum exposure to credit risk at the end of reporting period is the carrying amounts of trade receivables.

Note:

Movements of impairment losses on trade receivables are as follows:

	Six months ended 30 June 2025 HK\$'000 (unaudited)	Year ended 31 December 2024 HK\$'000 (audited)
At beginning of the period/year	2,038	1,672
Impairment loss (reversed)/recognised for the period/year	(779)	429
Exchange realignment	49	(63)
At end of the period/year	1,308	2,038



10. Prepayments, Deposits and Other Receivables

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Deposits paid for acquisition of motor vehicles for resale	103,177	74,300
Advance payment for acquisition of a property	–	1,481
Other deposits and prepayments	256	222
Total deposits and prepayments	103,433	76,003
Less: impairment loss recognised (Note)	(57,449)	(75,781)
	45,984	222
Deposits paid	233	386
Other receivables	63,257	83,271
Total	109,474	83,879
Analysed for reporting as:		
Non-current assets	28,735	47,128
Current assets	80,739	36,751
	109,474	83,879

Note:

Movements of impairment losses on deposits paid for acquisition of motor vehicles for resales are as follows:

	Six months ended 30 June 2025 HK\$'000 (unaudited)	Year ended 31 December 2024 HK\$'000 (audited)
At beginning of the period/year	75,781	–
Impairment loss (reversed)/recognised for the period/year	(18,642)	75,805
Exchange realignment	310	(24)
At end of the period/year	57,449	75,781

11. Amount Due to a Director

The amount due to a director is unsecured, interest-free and repayable on demand.

12. Share Capital and Premium

	Number of issued shares '000	Ordinary shares HK\$'000	Share premium HK\$'000	Total HK\$'000
At 1 January 2025 and 30 June 2025	7,748,958	77,489	1,673,299	1,750,788

The authorised ordinary shares of the Company comprise 10,000,000,000 shares (31 December 2024: 10,000,000,000 shares) with a par value of HK\$0.01 per share (31 December 2024: HK\$0.01 per share). All issued shares are fully paid.

13. Dividends

The directors of the Company do not recommend any payment of a dividend for the six months ended 30 June 2025 (For the six months ended 30 June 2024: Nil).

Events After the Reporting Period

Save as disclosed elsewhere in this interim results announcement, there is no material subsequent event undertaken by the Group after the six months ended 30 June 2025 and up to the date of this interim results announcement.

Business Review

The Group recorded revenue of approximately HK\$4.50 million and a profit of approximately HK\$7.03 million for the six months ended 30 June 2025, compared with the revenue of approximately HK\$20.34 million and the loss of approximately HK\$12.98 million for the same period in 2024, the revenue has decreased by approximately HK\$15.84 million and turn a profit of approximately HK\$7.03 million. As disclosed in the Company's announcement dated 19 August 2025, the reason for profit of the Group was primarily attributable to the reversal of impairment loss amounting to approximately HK\$18.64 million on advance payments for purchase of trading motor vehicles. During the six months ended 30 June 2025, the Group experienced a significant decline in sales due to underperformance in its business segment which was primarily driven by an intense price war in the PRC market, as well as broader challenges such as geopolitical tensions and the looming threat of global trade restrictions. These factors collectively disrupted market conditions, dampened sales, and contributed to the unfavorable financial results.

For the period ended 30 June 2025, the Group recorded the revenue of trading of motor vehicles where the Group acts as principal approximately HK\$4.50 million and there is no record of agency and service fees income from accessories sourcing. Approximately HK\$19.71 million and approximately HK\$0.63 million were recorded respectively for the revenue of trading of motor vehicles where the Group acts as principal and an agency and service fees income from accessories sourcing for the period ended 30 June 2024.

The Group invested in the new medicine development market in the PRC, the limited partnership of the Group co-operates with its business partner in the joint development of four new medicines in the treatment of lymphoma, cell tumors, colorectal cancer and multidrug-resistant tuberculosis. As at 30 June 2025, one of the new medicines has entered into the phase II of clinical trial and the others are still in the researching stage.

For trading of listed securities, the Group has no record of gain or loss for the period ended 30 June 2025 and it recorded an unrealised gain of approximately HK\$24,000 and a realised loss of approximately HK\$77,000 for the period ended 30 June 2024.

Financial Review

The Group recorded an unaudited revenue of approximately HK\$4.50 million for the six months ended 30 June 2025 as compared to an unaudited revenue of approximately HK\$20.34 million for the corresponding period in 2024, there was a decrease of approximately HK\$15.84 million or 77.8%. The decrease in revenue was mainly due to the decrease in the trading of motor vehicles and provision of agency services business which operated in the PRC.

The segment of trading of motor vehicles and provision of agency services recorded revenue of approximately HK\$4.50 million for the six months ended 30 June 2025 and it recorded approximately HK\$20.34 million of revenue for the corresponding period last year. The Group experienced a significant decline in sales due to underperformance in its business segment which was primarily driven by an intense price war in the PRC market, as well as broader challenges such as geopolitical tensions and the looming threat of global trade restrictions.

The Group recorded an unaudited profit for the six months ended 30 June 2025 of approximately HK\$7.03 million compared with an unaudited loss of approximately HK\$12.98 million for the corresponding period last year. The profit is arrived at after taking into the reversal of impairment loss on advance payments for purchase of trading motor vehicles amounted to approximately HK\$18.64 million for the six months ended 30 June 2025. (As of 30 June 2025, the subsidiary had recovered approximately RMB17.38 million (equivalent to approximately HK\$18.64 million) from terminated purchase agreements and utilised deposits). The basic earnings per share attributable to owners of the Company for the reporting period with approximately HK\$0.09 cent compared to the basic loss per share attributable to owners of the Company approximately HK\$0.17 cent for the same period last year.



Outlook

As at 30 June 2025, the revenue of the Group came from the segment of trading of motor vehicles, provision of agency services and accessories sourcing in the PRC.

As disclosed in the circular of the Company dated 19 March 2018, the motor vehicles business has a risk of reliance on a small number of customers. As at 30 June 2025, 重慶盛渝泓嘉國際貿易有限公司 (transliterated as Chongqing Sheng Yu Hong Jia International Trading Company Limited) ("Sheng Yu Hong Jia") has improved its number of customers and increased to 135 customers and with 44 customers in the progress of negotiation. Sheng Yu Hong Jia will strive to increase more customers to reduce the level of reliance in the future.

As disclosed in the announcement of the Company dated 7 March 2022, due to the change of government policy in the PRC on the China 6 Standard imported motor vehicles, the PRC government requires the parallel importers of motor vehicles to obtain certification administered by the Ministry of Ecology and Environment of the PRC ("EE Certificate") for China 6 Standard imported motor vehicles before offering the same for trade in the PRC. As at 30 June 2025, the Group obtained EE Certificate for six types of China 6 Standard imported motor vehicles, and the others are still in the certification process. The Group has been closely monitoring the certification process for their China 6 Standard imported motor vehicles. To improve the business performance under the segment of trading of motor vehicles, the Group is planning, by taking advantage from the globally green transition and technological advancement in automotive industry, to introduce more new energy vehicles and to promote the trading of petrol vehicles and new energy vehicles to the customers.

The PRC has been reforming the regulatory landscape in the pharmaceutical industry leading it has a steady growth in the past few years, especially for major new medicines development like the promotion of more lifesaving and safe medicines to be listed and included in medical insurance. Therefore, the Company will continue to pay attention to the new medicine development market in the PRC in order to diversify the business of the Group.

On 22 July 2025 and 18 August 2025, the Company entered into a conditional preliminary agreement (the “Preliminary Agreement”) and a formal agreement (the “Formal Agreement”) respectively with an independent third party, Best Properties Limited, for the disposal of its equity interest in and loans to Sinofortune Property Limited for the aggregate consideration of HK\$29 million (the “Disposal”). The principal assets of Sinofortune Property Limited are the properties known as 16th Floor and Lavatory A and B of C.M.A Building, No. 64 Connaught Road Central and No. 133 Des Voeux Road Central, Hong Kong (the “Property”). Pursuant to the Preliminary Agreement, the Company or one of its subsidiaries (as tenant) shall lease back the Property from Sinofortune Property Limited (as landlord) for a term of two years commencing from the completion date of the Disposal at the monthly rent of HK\$130,000 (the “Leaseback Arrangement”). Monthly rental under the Leaseback Arrangement will be lower than the current monthly interest payment on the mortgage of the Property. Completion of the Disposal and the Leaseback Arrangement are subject to the conditions precedents set out in the Preliminary Agreement and the Formal Agreement having been fulfilled. For more details, please refer to the announcements of the Company dated 22 July 2025 and 18 August 2025. As as the date of this report, completion of the Disposal and the Leaseback Arrangement has not been taken place.

The Group will continue to develop other businesses and seek opportunities to expand its revenue sources to enhance the Group’s revenue.

Liquidity and Financial Resources

The Group’s current asset as at 30 June 2025 amounted to approximately HK\$90.51 million (31 December 2024: approximately HK\$50.32 million) and the liquidity of the Group, as demonstrated by the current ratio (current assets over current liabilities) was 0.8 times (31 December 2024: 0.5 times). As at 30 June 2025, the Group’s bank balances and cash amounted to approximately HK\$9.51 million (31 December 2024: approximately HK\$13.53 million).

As at 30 June 2025, the Group’s total borrowings amounted to HK\$25 million (31 December 2024: HK\$28 million), which wholly repayable in October 2025. That borrowings were secured by charges over the Group’s leasehold land and buildings as well as corporate guarantee issued by the Company. The gearing ratio of the Group as at 30 June 2025 (calculated by the total liabilities of approximately HK\$114.50 million over equity attributable to the owners of the Company of approximately HK\$22.81 million) is 501.9% (31 December 2024: 692.6%).



The equity attributable to owner of the Company amounted to approximately HK\$22.81 million as at 30 June 2025, representing an increase of approximately HK\$7.94 million, or 53.4% from that of 31 December 2024.

Share Capital

As at 30 June 2025, the authorised share capital of the Company was HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each and the issued share capital of the Company was approximately HK\$77,489,581 divided into 7,748,958,120 shares of HK\$0.01 each.

Foreign Exchange Exposure

The Group manages the foreign exchange exposure arising from its normal course of business activities and investment in foreign operations by funding its local operations and investments through cash flow generated from business transaction locally. As at 30 June 2025, the Group did not have any material unhedged foreign exchange exposure of interest rate mismatch.

Employee Information

As at 30 June 2025, the Group had a workforce of 36 employees (31 December 2024: 38). The total staff costs, including directors' emoluments, amounted to approximately HK\$5.27 million for the period ended 30 June 2025 (30 June 2024: approximately HK\$6.52 million). The Group's remuneration policies are reviewed on an annual basis and commensurate with the industry pay level. The remuneration package includes basic salary, mandatory provident fund, medical benefits and discretionary bonus.

Charges on Assets

As at 30 June 2025, leasehold land and buildings of the Group with a carrying amount of approximately HK\$17.07 million (31 December 2024: approximately HK\$17.90 million) were pledged for credit facilities granting to the Group.

Contingent Liabilities

At 30 June 2025 and 31 December 2024, the Group did not have any contingent liabilities.

Significant Investment, Material Acquisitions and Disposal of Subsidiaries, Associates and Joint Ventures

Disposal of Sinofortune Property Limited

On 22 July 2025, the Company and an independent third party, Best Properties Limited, entered into a conditional Preliminary Agreement in respect of the Disposal. On 18 August 2025, a Formal Agreement has been entered between the Company and Best Properties Limited for such Disposal.

As the Disposal constitutes a major disposal transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to shareholders' approval at an extraordinary general meeting. For more details, please refer to the announcements of the Company dated 22 July 2025 and 18 August 2025. As at the date of this report, completion of the Disposal has not been taken place.



Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 30 June 2025, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were 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 taken 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 Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in shares of the Company

Name of Directors	Capacity	Number of shares held	Approximate percentage of shareholding
Wang Jiawei	Beneficial owner	2,123,395,935	27.40%
Lai Yuk Mui	Beneficial owner	2,780,127	0.04%
Liu Runtong	Beneficial owner	2,646,000	0.03%

Save as disclosed above, as at 30 June 2025, none of the Directors or the chief executive of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of 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 and short positions in which they were taken or deemed to have taken 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 to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company

(a) Long Positions in Shares of the Company

As at 30 June 2025, the Directors and the chief executive of the Company are not aware of any person (not being a Director or a chief executive of the Company) who had an interest or short position in the shares or underlying shares which were notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under section 336 of the SFO.

(b) Long Positions in Underlying Shares of the Company

As at 30 June 2025, the Company had not been notified of any person (other than the Directors whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above) who had an interest or short position in the shares or underlying shares of the Company and was required to be recorded in the register required to be kept under Section 336 of the SFO and/or was directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

Directors' Interest in Competing Business

As at 30 June 2025, the Directors were not aware of any business or interest of each Director, controlling shareholder (as defined in the GEM Listing Rules) and the respective associates of each that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

Purchase, Sale or Redemption of Listed Securities

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



Compliance with Code on Corporate Governance Practice

The Company has applied the principles and has complied with all the code provisions as set out in the Corporate Governance Code contained in Appendix C1 of the GEM Listing Rules throughout the period under review, save and except for the following deviation.

Code Provision C.2.1

Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Mr. Wang Jiawei is the chairman and chief executive officer of the Company. In view of Mr. Wang has extensive experience in project management and securities investments and is responsible for the overall corporate strategies, planning and business development of the Company. Under the supervision by the Board which is comprised of four independent non-executive Directors and a non-executive Director, which represent more than half of the Board, the interests of the shareholders of the Company will be adequately and fairly represented.

Directors' Securities Transactions

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors of the Company confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company throughout the period under review.

Audit Committee

In compliance with rules 5.28 to 5.33 of the GEM Listing Rules, the Company has established an audit committee with written terms of reference which deal clearly with its authority and duties. The principal duties of the audit committee of the Company are to review and supervise the financial reporting process and internal control procedures of the Group.

The audit committee comprises three independent non-executive Directors, namely Professor Zhang Benzhen, Mr. Li Jianxing and Professor Chen Shu Wen.

The audit committee has reviewed the financial statements of the Group for the six months ended 30 June 2025 pursuant to the relevant provisions contained in the Corporate Governance Code as set out in Appendix C1 of the GEM Listing Rules and was of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

By order of the Board
Sinofortune Financial Holdings Limited
Wang Jiawei
Chairman

Hong Kong, 29 August 2025

As of the date of this report, the executive Directors are Mr. Wang Jiawei and Ms. Lai Yuk Mui, the non-executive Director is Mr. Liu Runtong and the independent non-executive Directors are Professor Zhang Benzheng, Mr. Li Jianxing, Professor Chen Shu Wen and Mr. Lee Kwun Kwan.

